

Ipswich Housing Market Area



Strategic Housing Market Assessment

November 2008

Final Report

FOREWORD

Structure and nature of the report

This Strategic Housing Market Assessment (SHMA) report is divided into sections. The logic for the sections derives from the Brief for the Assessment and Government Guidance as well as the need for a logical explanation of the Assessment.

At the start of each section the chapter titles and short summary of content are listed, in order to assist the reader in gaining a quick overview of the detailed contents. A more substantial overview is provided in the Key Findings Report. A substantial part of this report is devoted to following the many stages of the CLG Practice Guidance (March and August 2007) whose stages are labelled throughout the relevant chapters. Since the stages/steps of the Guidance are not numbered sequentially in each chapter of the Guidance, we have added a chapter number identifier (so Step 5.1 becomes 5.5.1 if Guidance Chapter 5 is involved).

The next page of this report provides a summary list of the chapters. Detailed contents of each chapter are presented after the Glossary, at the end of the report. These can be used as an index when seeking further information on a given topic.

Reports such as this use a multitude of data sources, many of which are frequently altered or updated. In that respect the report is constantly evolving. In the critical respect of housing markets and affordable housing, however, a procedure is given in the final chapter for updating that key area.

Conventions: key terms and maps

The Glossary provides a detailed list describing the meaning of the main terms used in this report. Maps are typically shown in terms of degrees of intensity, rather than by specific numbers. That is because the distributions would be uninformative if, for instance, an equal four-way split were used. Each distribution is examined so as to show its variation effectively – this may mean that three categories lie in the last quarter of the overall range.

Acknowledgements

A large-scale assessment of this nature is a collaborative effort and Fordham Research wish to thank all members of the study area SHMA partnership for their support, guidance and contributions. We would also like to thank those local stakeholders who participated in the discussion and whose local knowledge and views have been immensely helpful.

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SECTION A: INTRODUCTION

This section explains what the report seeks to achieve.

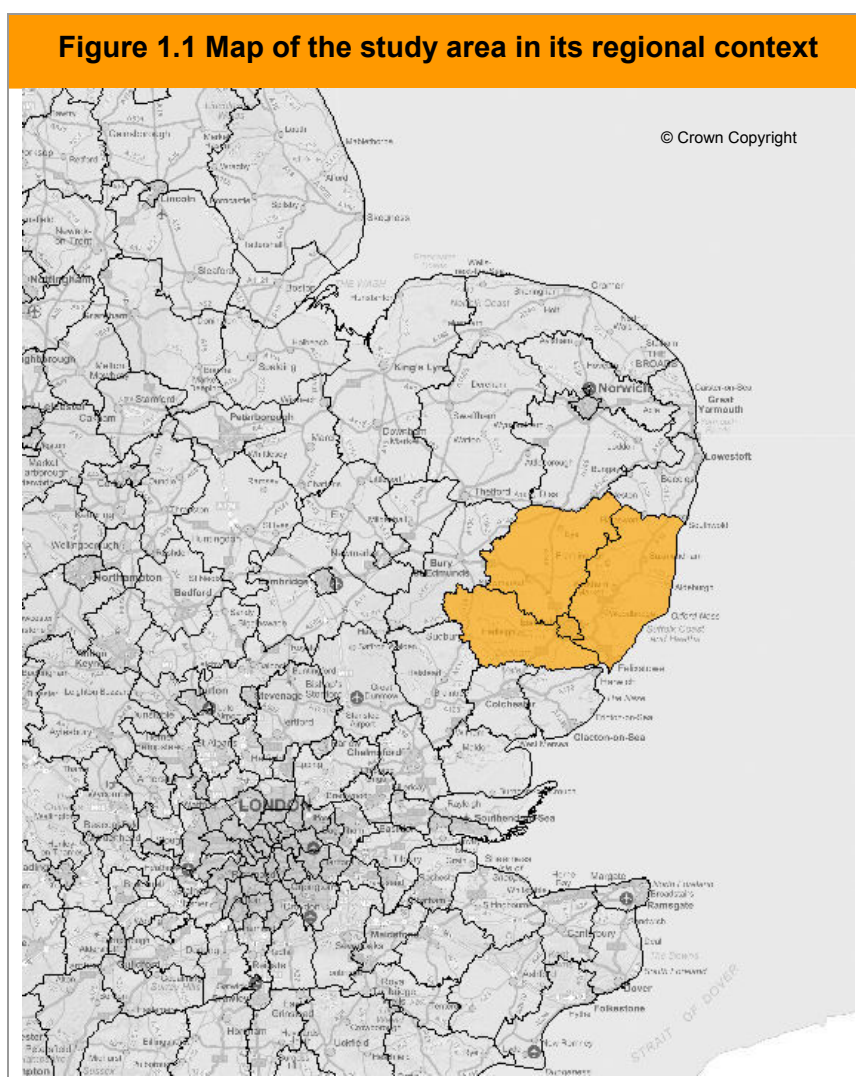
1. Introduction

The purpose of this chapter is to explain:

- What a Strategic Housing Market Assessment is
- Why the four Suffolk Councils undertook the work
- What methodology was employed
- How the report is structured

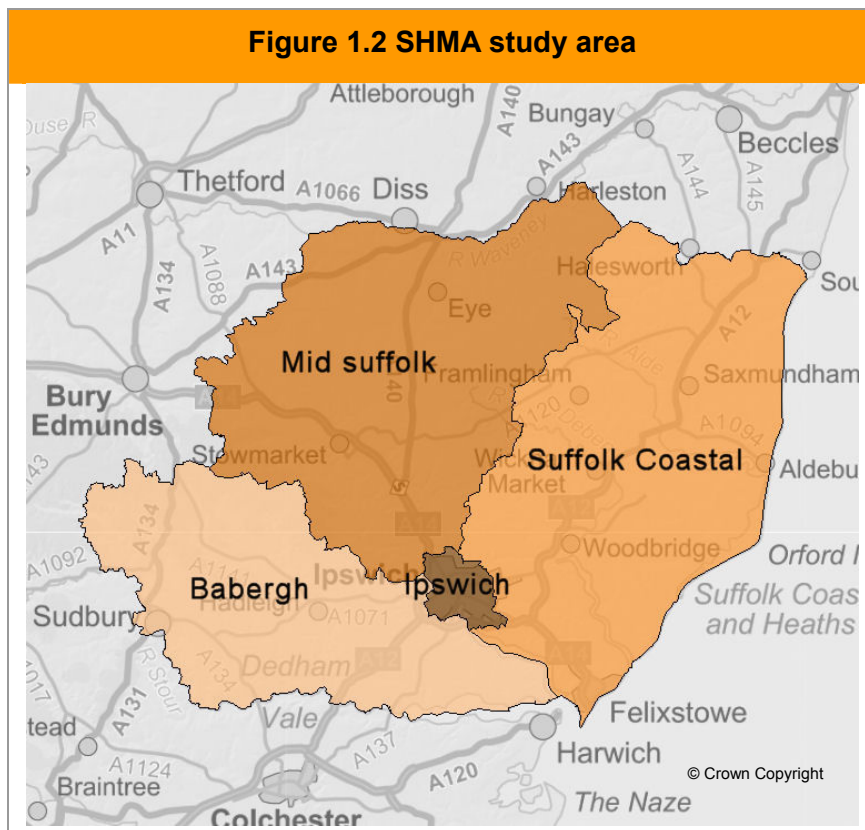
General location of the study area

1.1 The following map shows the location of the study area within the East of England Region:



Source: Ipswich SHMA Fordham Research 2008

1.2 Within that broad context, the four districts of the study area appear as follows:



What is a Strategic Housing Market Assessment?

- 1.3 The CLG document '*Strategic Housing Market Assessment - Practice Guidance*' (August 2007, amended), sets out the key objectives, steps and processes noted below.
- 1.4 The value of Strategic Housing Market Assessments (SHMAs) is in assisting policy development, decision-making and resource-allocation processes by:
- Enabling regional bodies to develop long-term strategic views of housing need and demand to inform regional spatial strategies and regional housing strategies
 - Enabling local authorities to think spatially about the nature and influence of the housing markets in respect of their local area
 - Providing robust evidence to inform policies aimed at providing the right mix of housing across the whole housing market – both market and affordable housing
 - Providing evidence to inform policies about the level of affordable housing required, including the need for different sizes of affordable housing
 - Supporting authorities to develop a strategic approach to housing through consideration of housing need and demand in all housing sectors – owner-occupied, private rented and affordable – and assessment of the key drivers and relationships within the housing market

- Drawing together the bulk of the evidence required for local authorities to appraise strategic housing options including social housing allocation priorities, the role of intermediate housing products, stock renewal, conversion, demolition and transfer
 - Ensuring the most appropriate and cost-effective use of public funds
- 1.5 It also encourages local authorities to assess housing need and demand in terms of housing market areas. This might involve working with other local authorities in a sub-regional housing market area through a housing market partnership.
- 1.6 The Guidance describes a series of steps and processes. This report adheres to these guidelines although in most instances it also provides additional analysis.

Why the study area Councils undertook the work

- 1.7 In September 2007 the four study area Councils of Ipswich Borough Council, Babergh District Council, Mid Suffolk District Council and Suffolk Coastal District Council entered into partnership to undertake a Strategic Housing Market Assessment (SHMA). The main aim of this work is to not only inform future housing policy and strategic work but to provide an essential part of the evidence base for the Councils' emerging Local Development Frameworks.
- 1.8 The four Councils appointed Fordham Research to produce a robust study to help them understand the housing market in which the partner Councils operate and to better influence supply issues in order to help produce a balanced housing market.
- 1.9 A key part of the research process was the involvement of stakeholders at various points of the analysis, in order to ensure their full involvement in the process and therefore the policies that evolve from the study.

The scale of each district in terms of households

- 1.10 In addition to showing the geographical scale of each district within the study area it is useful to focus on the relative numbers of households. The projected household populations of the study districts in 2006 are shown in the table below:

Table 1.1 Household population by district in the study area (2006)		
District	Number of households (000s)	Percentage
Ipswich	52	29.2%
Babergh	36	20.2%
Mid Suffolk	38	21.3%
Suffolk Coastal	52	29.2%
Total	178	100.0%

Source: CLG, 2004

What methodology was employed?

1.11 The main research methodology utilised within this SHMA was the collection and analysis of secondary data (i.e. data that has been collected by someone else), rather than primary data (i.e. data collected by the researcher). Although SHMA Guidance acknowledges that no one methodological approach or use of a particular dataset(s) will provide a definitive assessment of housing need and demand and market conditions, it recognises that SHMAs based on secondary data have distinct advantages as they:

- Encourage consistency of approach between different authorities and housing market areas
- Reflect actual behaviour and events rather than aspirations
- Are often cheaper to obtain than primary data
- Allow the monitoring of trends, usually on an annual basis
- Can provide a picture of market conditions based upon small areas, which identifies locational differences within housing market areas
- Are less affected by methodological problems of bias than surveys

(CLG, 2007 p. 17)

1.12 The range of secondary sources used within this SHMA included:

- Census 1991 and 2001
- ONS mid-year estimates
- ONS 2004-based sub-national population projections
- ODPM/CLG 2004-based sub-national household projections
- Land Registry data
- CLG website
- Regional and sub-regional economic strategies
- Regional housing statements and sub-regional housing strategies
- Regional spatial strategies and sub-regional strategies
- Regional transport statements and specific sub-regional studies

- Local housing strategies
- Local housing needs surveys
- Draft local development frameworks
- Adopted local plan policies
- Sustainable community strategies
- Neighbourhood renewal strategies
- Economic development strategies
- Local transport plans
- Area based regeneration strategies and initiatives
- Miscellaneous policy documents and research

1.13 However, Guidance suggests that there are occasions where primary data could be used. Examples include:

- For key indicators that are not available from secondary sources (e.g. interviews with letting agents are required to obtain information about private rent levels)
- Where local administrative systems are not fit for purpose and authorities need to undertake an assessment sooner than they can improve or amend those systems
- To assess the requirements of specific household groups of local interest or importance relating to particular affordable housing products

1.14 Further, Guidance states that one of the key aims of the new planning system is to involve local communities and stakeholders from the earliest stages of plan preparation, which includes evidence based work like strategic housing market assessments. This will help to minimise any potential objections to policies proposed, as stakeholders will have had the opportunity to express their concerns during the preparation of the strategic housing market assessment. Any concerns or technical matters that stakeholders or others may have regarding the approach or findings should be raised with housing market partnerships during the assessment process, preferably at an early stage.

1.15 Consequently, interviews were undertaken with local estate agents, letting agents and newbuild on-site sales teams in order to determine their views on the key characteristics of local housing markets such as price changes, migration patterns and housing market drivers. As this work was undertaken on a face to face basis a fuller understanding of the character of the area, the local geography and the relationship between neighbouring districts outside the study area was also achieved.

1.16 Additionally, events were attended and interviews were held with a wider cross-section of individuals and stakeholders to more fully understand:

- The role of the private rented sector
- The impact of the new university campus
- Problems associated with the perceived over-supply of apartments

- Problems associated with shared ownership sales in Ipswich
- The extent to which Black and Minority Ethnic (BME) households were adversely affected by the housing market.

1.17 Lastly, the research process could be described as consisting of both ‘top down’ and ‘bottom up’ approaches. ‘Top down’ can be defined as those components of the research process that are required by Government Guidance on undertaking SHMAs (CLG, *Strategic Housing Market Assessments Practice Guidance (Version 2)*, August 2007). For example, the Guidance determines the type and sources of information that should be contained in every SHMA (Table 1.3 below shows how this SHMA meets Guidance).

1.18 ‘Bottom up’ can be defined as those components of the research that involve either the use of secondary data or, more importantly, stakeholders including estate agents, landlords, house builders, elected members, local people and members of the SHMA steering group. As noted above and discussed in further detail in Chapter 3, the SHMA draws extensively on the experience, knowledge and opinions of local stakeholders. There were two main reasons for involving stakeholders within the research process: first, they are able to provide contextual and qualitative information on topics e.g. the state of local housing markets or problems associated with shared ownership that is not discernable from quantitative data (i.e. the data provided in the tables throughout the report). Secondly, stakeholders are able to ‘reality check’ report findings i.e. to determine whether or not the findings derived from secondary sources accord with their own knowledge and experience. In this latter sense, the stakeholders acted as an important component of the study’s quality control process.

Figure 1.3 The research process



Source: Fordham Research, 2008

Requirements of the SHMA

- 1.19 The Strategic Housing Market Assessment (SHMA) is broader than the Housing Needs Assessments (HNA) that have been carried out for each district within the study area during the past few years. It will examine socio-economic trends, demand pressures and key drivers. The SHMA will project future need for affordable and market housing and thereby will influence the development of housing and planning policy.
- 1.20 Planning Policy Statement 3 (PPS3) Annex C states that a Strategic Housing Market Assessment should:
- Estimate housing need and demand in terms of affordable and market housing
 - Determine how the distribution of need and demand varies across the plan area, for example, as between the urban and rural areas
 - Consider future demographic trends and identify the accommodation requirements of specific groups such as: homeless households, Black and Minority Ethnic groups, first-time buyers, disabled people, older people, Gypsies and Travellers and occupational groups such as key workers, students and operational defence personnel.

1.21 Further, it states that:

“Based upon the findings of the Strategic Housing Market Assessment and other local evidence, Local Planning Authorities will then need to set out in Local Development Documents:...

- *The likely overall proportions of households that require market or affordable housing, for example, x% market housing and y% affordable housing*
- *The likely profile of household types requiring market housing e.g. multi-person, including families and children (x%), single persons (y%), couples (z%)*
- *The size and type of affordable housing required”*

1.22 Lastly, PPS3 states that:

“In Local Development Documents, Local Planning Authorities should:

- *Set an overall target for the amount of affordable housing to be provided.*
- *Set separate targets for social-rented and intermediate affordable housing*
- *Specify the type and size of affordable housing*
- *Set out the range of circumstances in which affordable housing will be required*
- *Set out the approach to seeking developer contributions to facilitate provision of affordable housing”*

1.23 In this context the findings of the Strategic Housing Market Assessment provides an important part of the evidence base to support policy development.

How the report is structured

1.24 As Practice Guidance recognises, extensive secondary information sources already exist. It would be challenging if this was presented only as a mass of data i.e. there is a danger that the main findings of the research would be obscured by the large amount of data.

1.25 As such, the research follows the recommended structure outlined in the guidance. It summarises the outputs required at each stage and draws on the evidence and includes input from the steering group and stakeholders. As highlighted above, it has been necessary to supplement the content with the key requirements of PPS3.

Table 1.2 SHMA Practice Guidance – research questions

Table 2.1 Research questions for each stage of the strategic housing market assessment		
Chapter	Stage	Research questions
3. The current housing situation	1. The demographic and economic context	<ul style="list-style-type: none"> What is the current demographic profile of the area What is the current economic profile? How have these profiles changes over the last 10 years?
	2. The housing stock	<ul style="list-style-type: none"> What is the current housing stock profile? How has the stock changed over the last ten years?
	3. The active market	<ul style="list-style-type: none"> What do the active market indicators tell us about current demand, particularly house prices/affordability? How has demand changed?
	4. Bringing the evidence together	<ul style="list-style-type: none"> How are market characteristics related to each other geographically? What do the trends in market characteristics tell us about the key drivers in the market area? What are the implications in terms of the balance between supply and demand and access to housing? What are the key issues for future policy strategy?
4. Future housing market	1. Indicators of future demand	<ul style="list-style-type: none"> How might the total number of households change in the future? How are household types changing, eg is there an aging population? How might economic factors influence total future demand? Is affordability likely to worsen or improve?
	2. Bringing the evidence together	<ul style="list-style-type: none"> What are the key issues for future policy/strategy?

Table 2.1 Research questions for each stage of the strategic housing market assessment (continued)		
Chapter	Stage	Research questions
5. Housing need	1. Current housing need	<ul style="list-style-type: none"> What is the total number of households in housing need currently (gross estimate)?
	2. Future need	<ul style="list-style-type: none"> How many newly arising households are likely to be in housing need (gross annual estimate)?
	3. Affordable housing supply	<ul style="list-style-type: none"> What is the level of existing affordable housing stock? What is the likely level of future annual supply?
	4. Housing requirements of households in need	<ul style="list-style-type: none"> What is the current requirement for affordable housing from households in need? What are the requirements for different sized properties? How is the private rented sector used to accommodate need?
	5. Bringing the evidence together	<ul style="list-style-type: none"> What is the total number of households in need (net annual estimate)? What are the key issues for future policy/strategy? How do the key messages fit with the findings from Chapters 3 and 4?
6. Housing requirements of specific household groups	Families, Older People, Minority and hard to reach households and households with specific needs	<ul style="list-style-type: none"> What are the housing requirements of specific groups of local interest/importance?
	Low Cost Market Housing	<ul style="list-style-type: none"> What is the scope for addressing demand through the provision of low cost market housing?
	Intermediate Affordable Housing	<ul style="list-style-type: none"> What is the scope for addressing need through the provision of intermediate affordable housing?

Source: CLG 2007

- 1.26 The stages of work outlined in the Practice Guidance are met in the present report in the following way. Since the Practice Guidance does not distinguish the stages within each of its operational chapters, they have been preceded by the chapter number (e.g. stage 3.1 in the table below means Stage 1 in Chapter 3 of the Guidance) for clarity's sake.

Table 1.3 Practice Guidance stages/steps in Ipswich SHMA report

<i>Chapter of the SHMA report</i>	<i>Stage/Step identified in the Practice Guidance (August 2007)</i>	<i>Page in Guide</i>
Ch 4	Stage 3.1: The demographic and economic context	18
	Step 3.1.1 Demography and household types	19
	Step 3.1.2: National and regional economic policy	20
	Step 3.1.3: Employment levels and structure	21
	Step 3.1.4 Incomes & earnings	22
Ch 5	Stage 3.2: The housing stock	22
	Step 3.2.1 Dwelling profile	23
	Step 3.2.2 Stock condition	24
	Step 3.2.3 Shared housing and communal establishments	25
Ch 6	Stage 3.3: The active market	25
	Step 3.3.1 The cost of buying or renting a property	26
	Step 3.3.2 Affordability of housing	29
	Step 3.3.3 Overcrowding and under-occupation	30
	Step 3.3.4 Vacancies, Available supply and turnover by tenure	31
Ch 8	Stage 4.1: Projecting changes in the future numbers of households	35
	Stage 4.2: Future economic performance	36
	Stage 4.3: Future affordability	37
Ch 9	Stage 5.1: Current need (gross)	43
	Stage 5.2: Future need	45
	Step 5.2.1 New household formation	45
	Step 5.2.2 Proportion unable to afford entry-level market housing	46
	Step 5.2.3 Existing households falling into need	46
	Step 5.2.4 Total newly arising need	46
	Stage 5.3: Affordable housing supply	47
	Step 5.3.1 Affordable dwellings occupied by households in need	47
	Step 5.3.2 Surplus stock	47
	Step 5.3.3 Committed supply of new affordable units	48
	Step 5.3.4 Units to be taken out of management	48
	Step 5.3.5 Total affordable housing stock available stock	48
	Step 5.3.6 Future annual supply of social re-lets (net)	48
	Step 5.3.7 Future annual supply of intermediate affordable housing	49
	Step 5.3.8 Future annual supply of affordable housing units	50
	Stage 5.4: Use of housing needs model 1	50
	Step 5.4.1 Choices with the existing affordable housing stock	51
	Step 5.4.2 Requirement for affordable housing of different sizes	52
	Step 5.4.3 The private rented sector	53
	Stage 5.5: Use of housing needs model 2	53
	Step 5.5.1 Estimate of net annual housing need	
	Step 5.5.2 Key issues for future policy/strategy	
	Step 5.5.3 Joining across the assessment	
Ch 10	Specific groups (no formal stages or steps)	
Ch 12	Stage 3.4: Bringing the evidence together	32
	Step 3.4.1 Mapping market characteristics: Future growth	32
	Step 3.4.2 Trends and drivers	33
	Step 3.4.3 Issues for future policy/strategy	34

Source: Ipswich HMA Fordham Research 2008

1.27 As can be seen from this table, most of the material in this report can be related to the structure set out in the Practice Guidance, although not always in the same order. The remaining material is required either by the Brief or by the requirement of producing a coherent and transparent explanation of the SHMA work.

Summary

- The scope of the SHMA is defined in terms of the CLG document '*Strategic Housing Market Assessment - Practice Guidance*' (March and August 2007, amended) and the tender brief.
- The main aim of the work is to inform future housing policy and strategic work and to provide an essential part of the evidence base for the Councils' emerging Local Development Frameworks.
- The main methodology consisted of analysing secondary data derived from a wide range of sources. In addition stakeholders were consulted by a number of means to ensure that their interests were understood and their engagement achieved. There was considerable dialogue and discussion with the steering group to ensure that they could take forward the Strategic Housing Market Assessment process.

SECTION B: CONTEXT

This section describes the Housing Market Area (HMA) and the study area within it, the housing and planning policy context, and the demographic and economic context.

These sections should be read in the context of the summarised features of the national housing market provided in Appendix 1.

2. The sub-regional Housing Market Area

The purpose of this chapter is to:

- Define the Housing Market Area
- Examine migration and travel to work information
- Provide conclusions on the scope of market areas

Introduction

- 2.1. This chapter considers the issue of measuring Housing Market Areas (HMAs), and reports the standard analysis for the East of England in relation to the study area. It then considers evidence from the 2001 Census on migration and commuting, and evidence from discussions with stakeholders. Finally the issue of the housing markets within the study area is reviewed and revised.

The notion of Housing Market Areas (HMAs)

- 2.2 PPS3 stresses the need to study housing markets in their context. It points out that housing markets do not obey administrative boundaries and may include several districts or parts of districts.
- 2.3 After the publication of PPS3, CLG issued the Guidance, '*Identifying sub-regional housing market areas – an advice note*' (April 2007). This sets out various alternative bases for Housing Market Area definition: house prices, home moves and commuting flows. The general aim is to suggest HMAs that have internal consistency and are distinct from neighbouring ones. This is quite difficult to do in a crowded country such as England.
- 2.4 For example, the general principle of 70% self-containment (of home moves and travel to work) is in practice hardly ever achieved in England; most places are more open than this rule would require. A pragmatic approach is required.
- 2.5 Indeed the Advice Note emphasises this:

'For these reasons, regional and local authorities will want to consider, for the purpose of developing evidence bases and policy, using a pragmatic approach that groups local authority administrative areas together as an approximation for functional sub-regional housing market areas.' (para 9)

2.6 This seems sensible advice. In some parts of the country attempts have been made to partition local authority areas, and the results have been that a given local authority may be in several HMAs (for example, the Peterborough HMA contains three small parts of districts as well as four whole districts). This makes for confusion, and so the latest Guidance is welcome. The study area Steering Group has used four districts in the County as the basis for its commission for the same sort of pragmatic reasons.

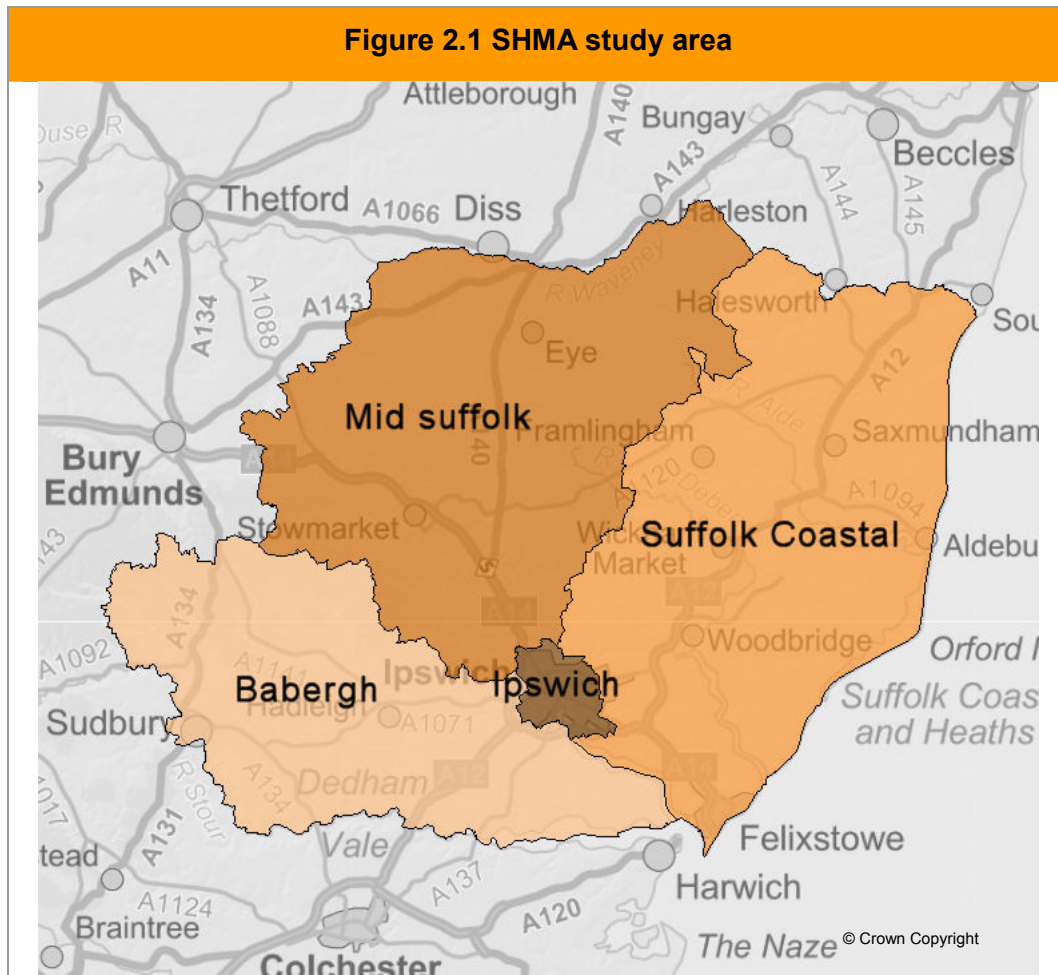
Determining the Housing Market Area

- 2.7 In order to maximise resources and encourage cooperation between local authorities the first East of England Regional Housing Strategy (2003) identified housing sub-regions within the East of England. Based on local authority boundaries, it listed nine in total, varying in size from one authority (Peterborough City Council, a unitary authority) to 15 authorities (London Commuter Belt)¹.
- 2.8 The Ipswich SHMA local authority areas are situated within the Greater Haven Gateway Housing Sub-region which incorporates parts of the counties of Suffolk and Essex as shown in Figure 2.1. The Greater Haven Gateway Housing Sub-Region is one of nine housing sub-regions in the East of England, and includes Babergh, Braintree, Colchester, Ipswich, Maldon, Mid Suffolk, Suffolk Coastal and Tendring Borough and District Councils.
- 2.9 Although discussed in more detail in Chapter 3, it is worth noting that the study area (Figure 2.1), as well as being within the County of Suffolk, is also part of the wider Greater Haven Gateway Housing Sub-Region. It (Figure 2.2), shares some common areas with the Haven Gateway sub area (Figure 2.3) and contains what has commonly been referred to as the 'Ipswich Policy Area' i.e. Ipswich plus selected parishes drawn from the three adjacent study area councils (Figure 2.4).
- 2.10 According to the East of England Regional Assembly (EERA, 2008), the Greater Haven Gateway Housing Sub-Region has been separated into two SHMA areas in order to better understand where housing markets lie and to reflect historic relationships:
- Ipswich SHMA: Ipswich, Babergh, Mid Suffolk and Suffolk Coastal (essentially the Suffolk local authorities in Greater Haven Gateway) have formed an SHMA Group to consider the strategic housing market centred upon Ipswich
 - Chelmsford, Braintree and Colchester: Braintree and Colchester (two of the Essex authorities in the Greater Haven Gateway Housing Sub-Region) have created an SHMA Group with Chelmsford (from London Commuter Belt) focussed on the strategic housing market around the A12 trunk road

¹ East of England Regional Assembly, *Housing Update*, December 2006.

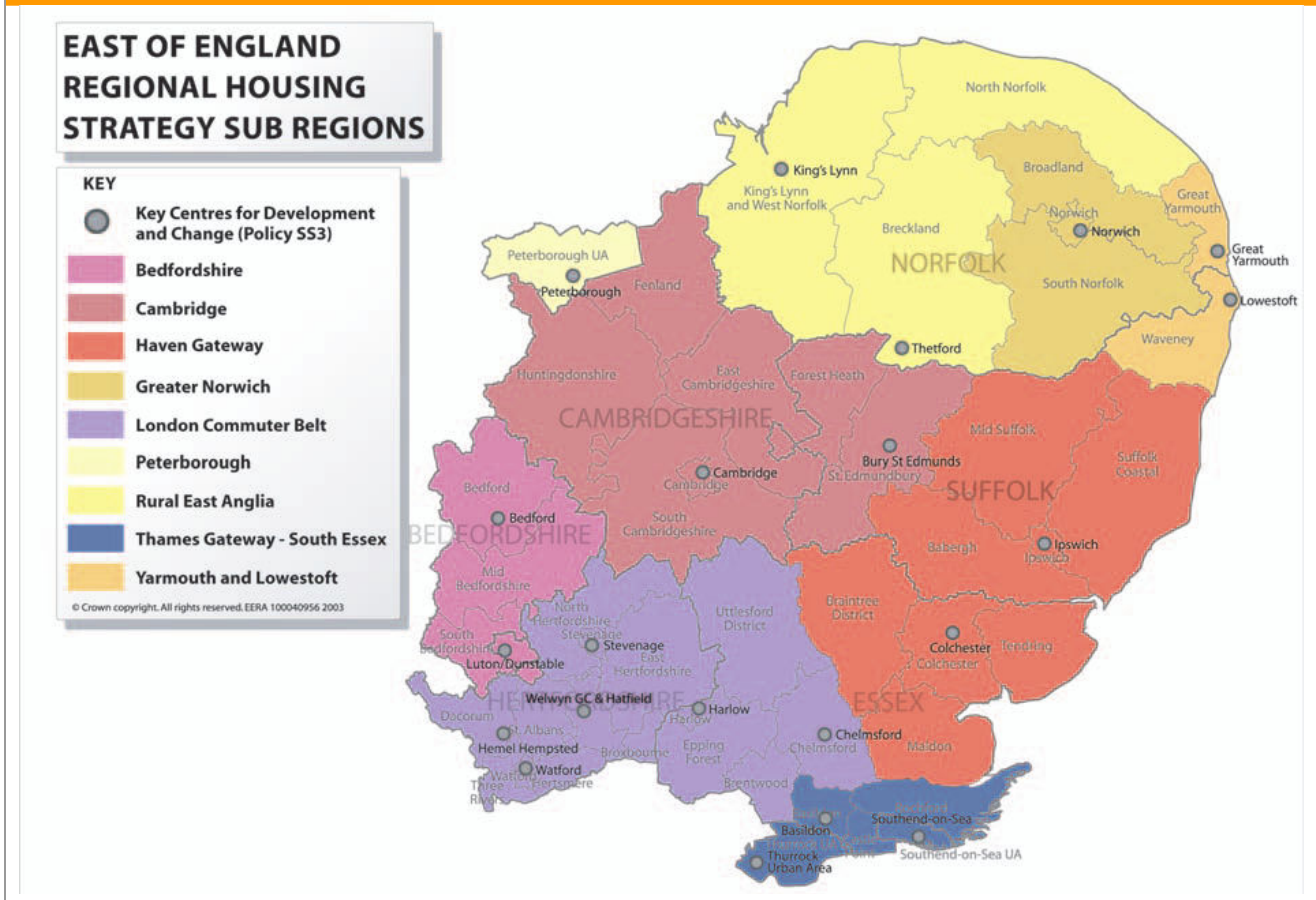
- In addition, Maldon and Tendring Councils are each currently undertaking their own individual SHMA and aim to link up with the Greater Haven Gateway SHMA Group at a later date given their particular circumstance.

2.11 The long-term aim for Greater Haven Gateway Housing Sub-Region is to link the various SHMA activities together at a later date (EERA, 2008 p.23).



Source: Ipswich SHMA Fordham Research 2008

Figure 2.2 East of England housing market sub-areas

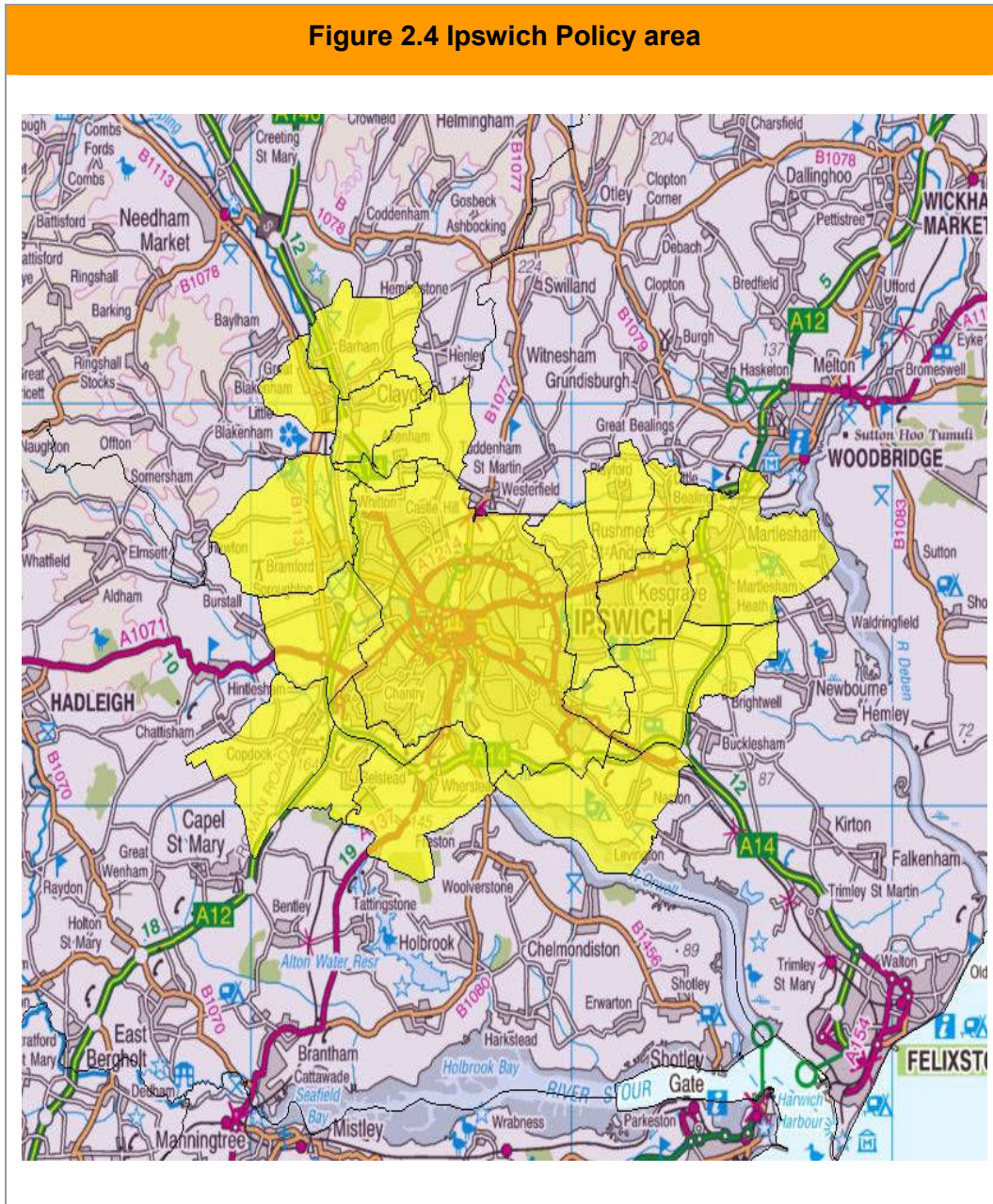


Source: East of England Regional Assembly, 2008

Figure 2.3 Haven Gateway area



Source: Haven Gateway Development Document, October 2006



Evidence of migration and commuting

2.12 It is useful to begin a review of the HMA findings with some evidence. The 2001 Census is a main source on migration used by the research. The following four tables show the main migration flows by district for each of the four districts. The ‘inflow’ column shows the numbers of people moving into each district during the twelve month period prior to the 2001 Census; the ‘outflow’ column states the largest numbers of people moving out of districts; whilst the ‘net’ column shows the difference between the ‘inflow’ and ‘outflow’ columns (inflow *less* outflow).

Migration

2.13 An analysis of migrating households based on the 2001 Census data is shown below. The numbers of people moving into, out of and within the study area are considered.

Table 2.1 Babergh largest overall migration flows					
District	Inflow		Outflow		Net flow
Babergh	3,720	45.9%	3,720	51.6%	0
Ipswich	539	6.7%	541	7.5%	-2
Colchester	319	3.9%	257	3.6%	62
Braintree	285	3.5%	161	2.2%	124
St Edmundsbury	230	2.8%	265	3.7%	-35
Mid Suffolk	226	2.8%	206	2.9%	20
Suffolk Coastal	219	2.7%	186	2.6%	33
Tendring	165	2.0%	99	1.4%	66
Chelmsford	59	0.7%	24	0.3%	35
Breckland	42	0.5%	46	0.6%	-4
Havering	37	0.5%	3	0.0%	34
Other	2,262	27.9%	1,697	23.6%	565
Total	8,103	100.00%	7,205	100.00%	898

Source: ONS, 2001

NB Study area councils are in bold

2.14 Babergh has the smallest inflow and outflow of the four study area councils. Nearly half (45.9%) of all moves derive from inside Babergh whilst the remainder derive from Council areas adjacent or close to Babergh. In 2001, 898 more people moved into the Babergh area than out of the area. The largest net population gains derived from Braintree (124 people), Tendring (66 people) and Colchester (62).

Table 2.2 Ipswich largest overall migration flows					
District	Inflow		Outflow		Net flow
Ipswich	7,548	54.9%	7,548	62.2%	0
Suffolk Coastal	996	7.2%	1,141	9.4%	-145
Babergh	541	3.9%	539	4.4%	2
Mid Suffolk	509	3.7%	414	3.4%	95
Colchester	171	1.2%	75	0.6%	96
Tendring	97	0.7%	45	0.4%	52
Waveney	82	0.6%	44	0.4%	38
Norwich	59	0.4%	89	0.7%	-30
St Edmundsbury	47	0.3%	80	0.7%	-33
Cambridge	46	0.3%	26	0.2%	20
Other	3,646	26.5%	2,130	17.6%	1,516
Total	13,742	100.0%	12,131	100.0%	1,611

Source: ONS, 2001

2.15 Ipswich has the largest inflow and outflow of the four study area councils. Over half or 54.9% of all moves derive from inside Ipswich whilst the remainder derive from council areas adjacent or close to Ipswich. Although Ipswich only regained its 1981 population level around 2001, during that year 1,611 more people moved into the Ipswich area than out of the area. The largest net population gains derived from Colchester (96 people) and Mid Suffolk (95 people), although a large number of people (1,141) moved from Ipswich to Suffolk Coastal probably reflecting the attractiveness of its coastal environment (especially for older people).

Table 2.3 Mid Suffolk largest overall migration flows					
District	Inflow		Outflow		Net flow
Mid Suffolk	3,903	44.0%	3,903	49.3%	0
St Edmundsbury	448	5.0%	411	5.2%	37
Ipswich	414	4.7%	509	6.4%	-95
Suffolk Coastal	352	4.0%	304	3.8%	48
South Norfolk	257	2.9%	319	4.0%	-62
Babergh	206	2.3%	226	2.9%	-20
Colchester	106	1.2%	53	0.7%	53
Breckland	80	0.9%	100	1.3%	-20
Braintree	65	0.7%	18	0.2%	47
Forest Heath	57	0.6%	100	1.3%	-43
Other	2,988	33.7%	1,969	24.9%	1,019
Total	8,876	100.0%	7,912	100.0%	964

Source: ONS, 2001

2.16 Mid Suffolk has the lowest proportion of self-containment of the four study area councils at 44.0%. Overall, during 2001, the Council experienced a net population gain of 964 people with most people deriving from areas adjacent or close to Mid Suffolk. The largest number of people moving into Mid Suffolk derived from St Edmundsbury (448), Ipswich (414) and Suffolk Coastal (352) although this is balanced by almost equal flows from Mid Suffolk to these areas.

Table 2.4 Suffolk Coastal largest overall migration flows					
District	Inflow		Outflow		Net flow
Suffolk Coastal	6,143	50.5%	6,143	57.4%	0
Ipswich	1,141	9.4%	996	9.3%	145
Mid Suffolk	304	2.5%	352	3.3%	-48
Waveney	205	1.7%	221	2.1%	-16
Babergh	186	1.5%	219	2.0%	-33
Colchester	105	0.9%	65	0.6%	40
Tendring	68	0.6%	65	0.6%	3
Chelmsford	50	0.4%	42	0.4%	8
St Edmundsbury	46	0.4%	44	0.4%	2
Cambridge	39	0.3%	41	0.4%	-2
Other	3,871	31.8%	2,517	23.5%	1,354
Total	12,158	100.0%	10,705	100.0%	1,453

Source: ONS, 2001

2.17 In 2001 Suffolk Coastal experienced the second highest population gain of 1,453 people. However, more than half (50.5%) of all people moving derived from inside the council area suggesting that the Suffolk Coastal area is fairly well contained. The largest inflow during 2001 derived from Ipswich (1,141 people) although only a slightly smaller number of people (996) moved from Suffolk Coastal to Ipswich.

2.18 To summarise:

- i) Ipswich shows the largest inflow and outflow of the four study area councils. Its largest net population gains are from Colchester (96 people) and Mid Suffolk (95 people), whilst its largest outflow is to Suffolk Coastal.
- ii) Babergh has the smallest inflow and outflow of the four study area councils with most moves deriving from areas adjacent or close to the District.
- iii) During 2001 Mid Suffolk experienced a net population gain of 964 people with most people deriving from areas adjacent or close to Mid Suffolk.
- iv) In 2001 Suffolk Coastal experienced the second highest population gain of 1,453 people with most (1,141 people) deriving from Ipswich.

2.19 When migration within each district is compared with movements across the District boundary, some interesting patterns are shown:

Table 2.5 Internal migration as % of total movement

Council	Percent of moves that were within the district
Babergh	46%
Ipswich	55%
Mid Suffolk	44%
Suffolk Coastal	50%

Source: ONS, 2001

- 2.20 Ipswich shows the most self-containment which suggests that there is a smaller proportion of people moving into Ipswich compared with the other three study area districts. One reason for this self-containment may be that, as average house prices in Ipswich are relatively low (see Chapter 7), some households may lack sufficient equity to enable them to buy outside the area.
- 2.21 Self-containment is also relatively high in Suffolk Coastal. This is surprising given that this district's coastal character may mean that a higher proportion of people from outside are attracted to the area. However, it is possible that the area's relatively high house prices prohibit some households from moving into the Suffolk Coastal area.

Commuting

- 2.22 The tables below show commuting patterns using 2001 Census data. From this it is possible to consider the types of people that are commuting out of the study area against the type of people that are commuting in and the existing resident population.
- 2.23 Unsurprisingly, as the County's main economic centre, Ipswich attracts the largest number of in-commuters (65,883). However, a substantial number of people (54,105) out-commute from the town leading to a net inflow of 11,778 people commuting into Ipswich. The main commuter flows into the town derive from adjacent areas such as Suffolk Coastal (10,619), Babergh (5,646), and Mid Suffolk (5,529). However, a fairly large number of people commute from Colchester (1,260) emphasising the economic links between the two urban centres.
- 2.24 Ipswich's commuter outflow patterns are closely aligned to its inflow patterns with most out-commuters travelling to adjacent council areas. However, there are fewer people commuting from Ipswich to Colchester (790) although people also commute as far as the City of London (264) and Norwich (205).

Table 2.6 Ipswich largest overall TTW flows*

District	Inflow		Outflow		Net flow
Ipswich	38,752	58.8%	38,752	71.6%	0
Suffolk Coastal	10,619	16.1%	6,005	11.1%	4,614
Babergh	5,646	8.6%	2,642	4.9%	3,004
Mid Suffolk	5,259	8.0%	2,585	4.8%	2,674
Colchester	1,260	1.9%	790	1.5%	470
St Edmundsbury	614	0.9%	368	0.7%	246
City of London	0	0.0%	264	0.5%	-264
Tendring	968	1.5%	209	0.4%	759
Norwich	232	0.4%	205	0.4%	27
Braintree	246	0.4%	143	0.3%	103
Other	2,287	3.5%	2,142	4.0%	145
Total	65,883	100.0%	54,105	100.0%	11,778

*TTW – travel to work

Source: ONS, 2001

NB Study area councils are in bold

- 2.25 Babergh has the smallest in and out-commuting population of the four study area councils and is the most 'self-contained' (i.e. over two-thirds of people commuting derive from inside the area). Overall, there are 8,087 more people commuting out of Babergh than into the area. The largest commuting inflows derive from Ipswich (2,642), but also areas outside the study area such as Colchester (1,012) and St Edmundsbury (883). Similarly, (larger) outflows from Babergh are to Ipswich (5,646), Colchester (2,329) and St Edmundsbury (1,976).

Table 2.7 Babergh largest overall TTW flows

District	Inflow		Outflow		Net flow
Babergh	22,787	70.7%	22,787	56.5%	0
Ipswich	2,642	8.2%	5,646	14.0%	-3,004
Colchester	1,012	3.1%	2,329	5.8%	-1,317
St Edmundsbury	883	2.7%	1,976	4.9%	-1,093
Suffolk Coastal	865	2.7%	1,251	3.1%	-386
Braintree	1,164	3.6%	1,079	2.7%	85
Mid Suffolk	1,213	3.8%	1,045	2.6%	168
Tendring	750	2.3%	586	1.5%	164
City of London	0	0.0%	476	1.2%	-476
Chelmsford	52	0.2%	299	0.7%	-247
Other	869	2.7%	2,850	7.1%	-1,981
Total	32,237	100.0%	40,324	100.0%	-8,087

Source: ONS, 2001

2.26 Commuting in Mid Suffolk follows a similar pattern to that of Babergh with over 8,000 more people commuting out of the area than into the area. The largest commuting inflows derive from Ipswich (2,585), South Norfolk (1,569) and St Edmundsbury (1,345). The largest commuting outflows are to Ipswich (5,259), South Norfolk (1,258), and St Edmundsbury (4,482).

Table 2.8 Mid Suffolk largest overall TTW flows					
District	Inflow		Outflow		Net flow
Mid Suffolk	24,431	70.5%	24,431	57.3%	0
Ipswich	2,585	7.5%	5,259	12.3%	-2,674
South Norfolk	1,569	4.5%	1,258	2.9%	311
St Edmundsbury	1,345	3.9%	4,482	10.5%	-3,137
Suffolk Coastal	1,328	3.8%	1,673	3.9%	-345
Babergh	1,045	3.0%	1,213	2.8%	-168
Breckland	414	1.2%	461	1.1%	-47
Waveney	296	0.9%	156	0.4%	140
Colchester	185	0.5%	312	0.7%	-127
Forest Heath	135	0.4%	455	1.1%	-320
Other	1,317	3.8%	2,954	6.9%	-1,637
Total	34,650	100.0%	42,654	100.0%	-8,004

Source: ONS, 2001

2.27 Finally, similar to Babergh and Mid Suffolk, Suffolk Coastal has a (slightly smaller) net outflow of 4,263 commuters. The largest commuting inflows derive from Ipswich (6,005), Mid Suffolk (1,673) and Babergh (1,251). The largest commuting outflows are to Ipswich (10,619), Mid Suffolk (1,328), and Babergh (865).

Table 2.9 Suffolk Coastal largest overall TTW flows					
District	Inflow		Outflow		Net flow
Suffolk Coastal	35,288	73.5%	35,288	67.5%	0
Ipswich	6,005	12.5%	10,619	20.3%	-4,614
Mid Suffolk	1,673	3.5%	1,328	2.5%	345
Babergh	1,251	2.6%	865	1.7%	386
Waveney	1,078	2.2%	792	1.5%	286
Tendring	462	1.0%	143	0.3%	319
Colchester	371	0.8%	385	0.7%	-14
South Norfolk	257	0.5%	167	0.3%	90
St Edmundsbury	166	0.3%	198	0.4%	-32
Norwich	127	0.3%	192	0.4%	-65
Other	1,331	2.8%	2,295	4.4%	-964
Total	48,009	100.0%	52,272	100.0%	-4,263

Source: ONS, 2001

2.28 It is apparent from the tables below that residents that are commuting out of the study area are more likely to be in the higher end professions and social groups than workers commuting into the study area.

Table 2.10 Occupation group by place of work						
	Resident population		Resident in the study area but working outside the area		Resident outside the study area but works within the study area	
Managers and senior officials	28,348	10.6%	12,733	18.7%	15,615	12.9%
Professional occupations	19,560	7.3%	9,502	14.0%	10,058	8.3%
Associate professional and technical occupations	23,768	8.9%	10,777	15.8%	12,991	10.7%
Administrative and secretarial occupations	24,220	9.0%	9,183	13.5%	15,037	12.4%
Skilled trades occupations	25,151	9.4%	6,635	9.7%	18,516	15.3%
Personal service occupations	13,027	4.9%	3,338	4.9%	9,689	8.0%
Sales and customer service occupations	14,116	5.3%	4,170	6.1%	9,946	8.2%
Process, plant and machine operatives	16,872	6.3%	5,971	8.8%	10,901	9.0%
Elementary occupations	5,741	2.1%	5,777	8.5%	18,505	15.3%
Not currently working	96,826	36.2%	0#	0.0%	0#	0.0%
ALL PEOPLE	267,629	100.0%	68,086	100.0%	121,258	100.0%

Source: NOMIS 2007 (2001 Census data)

Figures not available

Table 2.11 NS-SeC category by place of work						
	Resident population		Resident in study area but working outside the area		Resident outside study area but works within the County	
Higher managerial and professional occupations	23,494	8.2%	11,270	16.6%	9,074	15.2%
Lower managerial and professional occupations	53,351	18.6%	21,941	32.2%	18,020	30.3%
Intermediate occupations	26,265	9.2%	8,974	13.2%	7,641	12.8%
Small employers and own account workers	23,899	8.4%	2,479	3.6%	2,217	3.7%
Lower supervisory and technical occupations	21,295	7.4%	6,795	10.0%	6,232	10.5%
Semi-routine occupations	36,923	12.9%	8,099	11.9%	7,443	12.5%
Routine occupations	27,596	9.6%	6,878	10.1%	7,178	12.1%
Never worked or long-term unemployed	6,010	2.1%	0	0.0%	0	0.0%
Not classifiable for other reasons*	67,335	23.5%	1,648	2.4%	1,708	2.9%
ALL PEOPLE	286,168	100.0%	68,084	100.0%	59,513	100.0%

Source: NOMIS 2007 (2001 Census data)

2.29 In general, the study area contains a slightly lower proportion of people employed in managerial and professional occupations compared with national and regional averages. Also, although Suffolk Coastal and Babergh contain the largest proportion of employees in managerial and professional occupations, Ipswich attracts the largest number of commuters from the two highest occupational groups. This confirms findings from the qualitative research that people employed in managerial and professional occupations are likely to move out of Ipswich and then commute back into the town.

Table 2.12 NS-SeC managerial and professional occupations

	England	East of England	Study Area	Babergh	Ipswich	Mid Suffolk	Suffolk Coastal
Higher managerial occupations	8.6%	9.1%	8.3%	8.6%	7.0%	8.5%	8.9%
Lower managerial occupations	18.7%	19.9%	18.8%	19.6%	16.4%	19.8%	19.3%
Total	27.3%	29.0%	27.0%	28.2%	23.5%	28.3%	28.3%
Managers/Profs commuting into the area	-	-	9,074	1,151	4,317	1,167	2,439

Source: NOMIS 2007 (2001 Census data)

2.30 The overall pattern is, therefore:

- i) A substantial flow of commuting to Ipswich, heavily weighted towards higher earners
- ii) A smaller but still noticeable inflow of those in 'elementary' or 'routine' occupations into the study area

Study area travel to work patterns

2.31 The tables below provide information drawn from the 2001 Census about travel to work patterns for people in employment and who are either living or working in the study area.

People resident in the study area

2.32 The table below shows the locations of employment for people who are resident within the study area, the key patterns for each of the four local authorities and also the results when combined for the whole of the study area.

Babergh

2.33 The table shows that 59.5% of working people living in Babergh also work in the Council area. The main outflows of people for work are to Ipswich (14.7%) and Colchester (6.1%). An estimated 6.0% work in one of the other two study area local authorities.

Ipswich

- 2.34 Nearly three quarters (73.6%) of working people living in Ipswich actually work within the local authority area. The main outflow of people for work is to Suffolk Coastal (11.4%). An estimated 9.9% work in Babergh and Mid Suffolk. However, due to the proximity of Ipswich to Suffolk Coastal and the location of the Adastral Technology Park, the travel to work outflow to Suffolk Coastal is not locally perceived to be as significant.

Mid Suffolk

- 2.35 Mid Suffolk data shows that over half (59.2%) of working people live in the District. The main outflows of people for work are to Ipswich (12.7%) and St. Edmundsbury (10.9%). An estimated 7.0% work in one or other of the two remaining study area local authorities.

Suffolk Coastal

- 2.36 Suffolk Coastal appears to have the most self-contained travel to work pattern with 69.7% of working people living in the District also working in the local authority area. Most (21.0%) of the remaining commuters work in Ipswich. An estimated 4.3% work in one or other of the two remaining study area local authorities.

Study area

- 2.37 Looking at the information for the whole of the study area we find that a total of 88.3% of working people living in the study area also work within it. The main place of work other than the study area is St. Edmundsbury (3.8%). This information suggests some considerable degree of self-containment within the study area.
- 2.38 It should be remembered that Suffolk Coastal and Mid Suffolk are locations for retired and semi-retired households. It is also relevant to point out that road connections between the outlying towns and the economic centres of Felixstowe and Ipswich do not easily facilitate commuting. Also some of the employment is highly specialised, for example, the Sizewell nuclear generation plant.
- 2.37 This information suggests some considerable degree of self-containment within the study area.

Table 2.13 Place of work for people resident within the study area

Place of work	Place of residence									
	Babergh		Ipswich		Mid Suffolk		Suffolk Coastal		All Study Area	
	No.	%	No.	%	No.	%	No.	%	No.	%
Babergh	22,787	59.5%	2,642	5.0%	1,213	2.9%	865	1.7%	27,507	15.0%
Ipswich	5,646	14.7%	38,752	73.6%	5,259	12.7%	10,619	21.0%	60,276	33.0%
Mid Suffolk	1,045	2.7%	2,585	4.9%	24,431	59.2%	1,328	2.6%	29,389	16.1%
Suffolk Coastal	1,251	3.3%	6,005	11.4%	1,673	4.1%	35,288	69.7%	44,217	24.2%
St. Edmundsbury	1,976	5.2%	368	0.7%	4,482	10.9%	198	0.4%	7,024	3.8%
Colchester	2,329	6.1%	790	1.5%	312	0.8%	385	0.8%	3,816	2.1%
S. Norfolk	47	0.1%	123	0.2%	1,258	3.0%	167	0.3%	1,595	0.9%
Braintree	1,079	2.8%	143	0.3%	68	0.2%	65	0.1%	1,355	0.7%
Waveney	16	0.0%	128	0.2%	156	0.4%	792	1.6%	1,092	0.6%
Tendring	586	1.5%	209	0.4%	95	0.2%	143	0.3%	1,033	0.6%
Norwich	66	0.2%	205	0.4%	348	0.8%	192	0.4%	811	0.4%
Forest Heath	178	0.5%	93	0.2%	455	1.1%	61	0.1%	787	0.4%
Breckland	96	0.3%	52	0.1%	461	1.1%	40	0.1%	649	0.4%
Chelmsford	299	0.8%	118	0.2%	88	0.2%	74	0.1%	579	0.3%
Elsewhere	895	2.3%	418	0.8%	961	2.3%	430	0.8%	2,704	1.5%
Total	38,296	100.0%	52,631	100.0%	41,260	100.0%	50,647	100.0%	182,834	100.0%

Source: 2001 Census

People working in the study area

2.39 The table below shows the locations of employment for people who are resident within the study area, the key patterns for each of the four local authorities and also the results when combined for the whole of the study area.

Babergh

2.40 The table shows that 71.6% of working people living in Babergh also work in the Council area. The main inflows of people for work are from Ipswich (8.3%) and Mid Suffolk (3.8%), 2.7% commuting into Babergh from Suffolk Coastal.

Ipswich

2.41 The self-containment for people working in Ipswich at 59.4% is much lower in comparison to the remaining three study area councils, reflecting its position as an important destination for commuters. The main inflows of people for work are from the adjacent study area councils of Suffolk Coastal (16.3%), Babergh (8.7%) and Mid Suffolk (8.1%). This story was very much borne out by estate agents. The surrounding districts are perceived as more attractive living environments. Also, since the 2001 Census there has been a considerable amount of newbuilding in Ipswich. The form of this building has been mainly flats and apartments. The scale is so significant that self-containment is likely to have increased.

Mid Suffolk

2.42 Mid Suffolk data shows that over two thirds (71.6%) of working people live in the District. The main inflows of people for work are from Ipswich (7.6%), South Norfolk (4.6%), Suffolk Coastal (3.9%) and Babergh (3.1%).

Suffolk Coastal

2.43 Suffolk Coastal appears to have the most self-contained travel to work pattern with 74.6% of working people working in the District also living in the local authority area. The main inflow of people for work is from the adjacent study area council of Ipswich (12.7%) with a smaller proportion from Waveney (2.3%).

Study area

2.44 Looking at the information for the whole of the study area we find that a total of 90.4% of people working in the study area also live within it. The main places of residence other than the study area are St. Edmundsbury (1.7%), Colchester (1.6%), Tendring (1.3%) and South Norfolk. This information suggests some considerable degree of self-containment within the study area.

Table 2.14 Place of residence of people who work in the study area

Place of residence	Place of work									
	Babergh		Ipswich		Mid Suffolk		Suffolk Coastal		All Study Area	
	No.	%	No.	%	No.	%	No.	%	No.	%
Babergh	22,787	71.6%	5,646	8.7%	1,045	3.1%	1,251	2.6%	30,730	17.2%
Ipswich	2,642	8.3%	38,752	59.4%	2,585	7.6%	6,005	12.7%	49,985	28.0%
Mid Suffolk	1,213	3.8%	5,259	8.1%	24,431	71.6%	1,673	3.5%	32,577	18.3%
Suffolk Coastal	865	2.7%	10,619	16.3%	1,328	3.9%	35,288	74.6%	48,100	26.9%
St. Edmundsbury	883	2.8%	614	0.9%	1,345	3.9%	166	0.4%	3,008	1.7%
Colchester	1,012	3.2%	1,260	1.9%	185	0.5%	371	0.8%	2,828	1.6%
Tendring	750	2.4%	968	1.5%	109	0.3%	462	1.0%	2,289	1.3%
South Norfolk	55	0.2%	369	0.6%	1,569	4.6%	257	0.5%	2,250	1.3%
Waveney	28	0.1%	408	0.6%	296	0.9%	1,078	2.3%	1,810	1.0%
Braintree	1,164	3.7%	246	0.4%	71	0.2%	82	0.2%	1,563	0.9%
Breckland	83	0.3%	134	0.2%	414	1.2%	88	0.2%	719	0.4%
Norwich	19	0.1%	232	0.4%	132	0.4%	127	0.3%	510	0.3%
Forest Heath	75	0.2%	98	0.2%	135	0.4%	22	0.0%	330	0.2%
Broadland	17	0.1%	112	0.2%	92	0.3%	41	0.1%	262	0.1%
Grt Yarmouth	3	0.0%	38	0.1%	74	0.2%	89	0.2%	204	0.1%
Elsewhere	245	0.8%	539	0.8%	373	1.1%	384	0.8%	1,541	0.9%
Total	31,841	100.0%	65,295	100.0%	34,185	100.0%	47,385	100.0%	178,707	100.0%

Source: 2001 Census

2.45 Thus although the study area is a sub-set of the wider Greater Haven Gateway Housing Sub-Region, it shows a high level of self-containment in its own right. Although not formally an HMA, it is a coherent area for study from a housing market point of view.

Summary

- In 2003 the Greater Haven Gateway Housing Sub-Region was defined as one of nine East of England housing sub-regions. However, subsequent discussions regarding the geographic scope of the housing markets underlines the complexities involved in determining their nature and scope and emphasises the contribution of SHMAs in clarifying the issue. The strong commuting and migration links between Ipswich, Babergh, Mid Suffolk and Suffolk Coastal validates the inclusion of the four council areas within this SHMA (a further reason is that the Ipswich Policy Area extends into all four council areas).
- The data was used to look at the degree of self-containment of travel to work patterns (i.e. the proportions of people who both live and work in the study area). The data showed that there is a high level of self-containment, with 88.3% of working people resident in the study area also working in the study area and 90.4% of those who work in the study area also living in the area.
- The stakeholder interviews discussed in Chapter 3 suggest that the level of self-containment varies greatly across the study area. It is high in most parts but lower in parts of Ipswich, Babergh and Mid Suffolk that are more accessible to London commuters. Also, stakeholders suggest that in-migration comes mostly from London and Essex. With the exclusion of Sudbury (in Babergh District), agents do not see a major link with Colchester; prices are higher there and it is nearer to London. The housing market area for the study area is more self-contained.
- Chapter 3 continues our consideration of the HMA by looking at sub-markets within the study area. Further detail of migration by household and employment profile can be found in Appendix 3.

3. Initial research into stakeholder views

The purpose of this chapter is to:

- Summarise the perceptions of stakeholders and those servicing the housing market
- Focus on their perceptions of the workings of the housing market
- Explain the outputs of the formal consultation processes during the SHMA

Introduction

- 3.1 This chapter is designed to report initial research into stakeholder views and record key points. These points are returned to in appropriate sections and discussed in relation to other information such as literature and data. The implications for the Strategic Housing Market Assessment are summarised at the end of the chapter.
- 3.2 Evidence gathered from stakeholders at all stages of the development of the SHMA will be found throughout this report. This chapter focuses on stakeholder evidence gathered in the early stages of the study. Further detail, as well as stakeholder views given in later consultations held to respond to the report and findings, can be found in Appendix 2.

The character of the study area

- 3.3 As part of our methodology a considerable amount of time was spent in the study area. This is essential to gain an understanding of its geography and character that the SHMA can properly describe the housing market. The following paragraphs summarise the perceptions drawn from this work.
- 3.4 Ipswich is the County Town of Suffolk. It is geographically small compared to its surrounding neighbours although it is densely populated and its economy has a major impact on the housing market in the surrounding districts. This is recognised through the part of the study area that is designated as the Ipswich Policy Area. There is an extension into Suffolk Coastal District leading to the nationally important Adastral Technology Park. There is considerable travel to work into Ipswich for households who can afford to live in more expensive rural areas and small town environments nearby.
- 3.5 Suffolk Coastal District has several roles. It contains one of the country's most strategic and significant sea ports. It is also home to a nuclear power plant. Yet the character of the main towns, villages and hamlets are attractive and distinctly 'Suffolk'.

- 3.6 This 'Suffolk' character is also found in Mid Suffolk District. Here there is interaction with the neighbouring housing market in Bury St. Edmunds.
- 3.7 Babergh District is more complex. It is rural in character and contains historic villages but also the larger town of Sudbury. There are undoubtedly interactions with Colchester in Essex in terms of migration and travel to work.
- 3.8 Strategic road connections are generally good. However, road connections between the market towns further away from Ipswich and Colchester are slow, especially in the holiday season. These towns are more isolated and self-contained and are popular retirement destinations. The strategic rail link from Ipswich to London is perceived locally as unreliable. There are local rail connections to many of the smaller towns within the study area. Stansted airport is easily accessible from the main road network but less accessible from the more rural areas.

Framework and purpose of the visits to agents

- 3.9 Estate and letting agents were visited in nearly all of the principal towns throughout the study area. Interviews were also conducted with on-site sales staff on larger scale newbuild sites. This is in addition to a systematic collection of entry level house prices and rents that are contained in Chapter 7 of this report.
- 3.10 The purpose of the visits and discussions was to understand the perceptions of people servicing the housing market. In particular questions were asked about:
- Local markets and self-containment
 - The characteristics of households moving home
 - Price ranges and affordability
 - Where appropriate, the impact of high levels of housing growth
 - The factors that appeal/do not appeal to potential purchasers of new and second-hand housing
 - Investor activity
 - The role of private renting in that locality
 - What distinguishes the purchaser of new housing from second-hand housing.
- 3.11 The Brief for the study raised issues that are also informed by this survey:
- The state of the apartment market in Ipswich
 - The relationship with other housing markets (Colchester, London, Norwich)
 - The issues presented in more rural communities
 - The impact of migrant workers
 - The impact of second homes

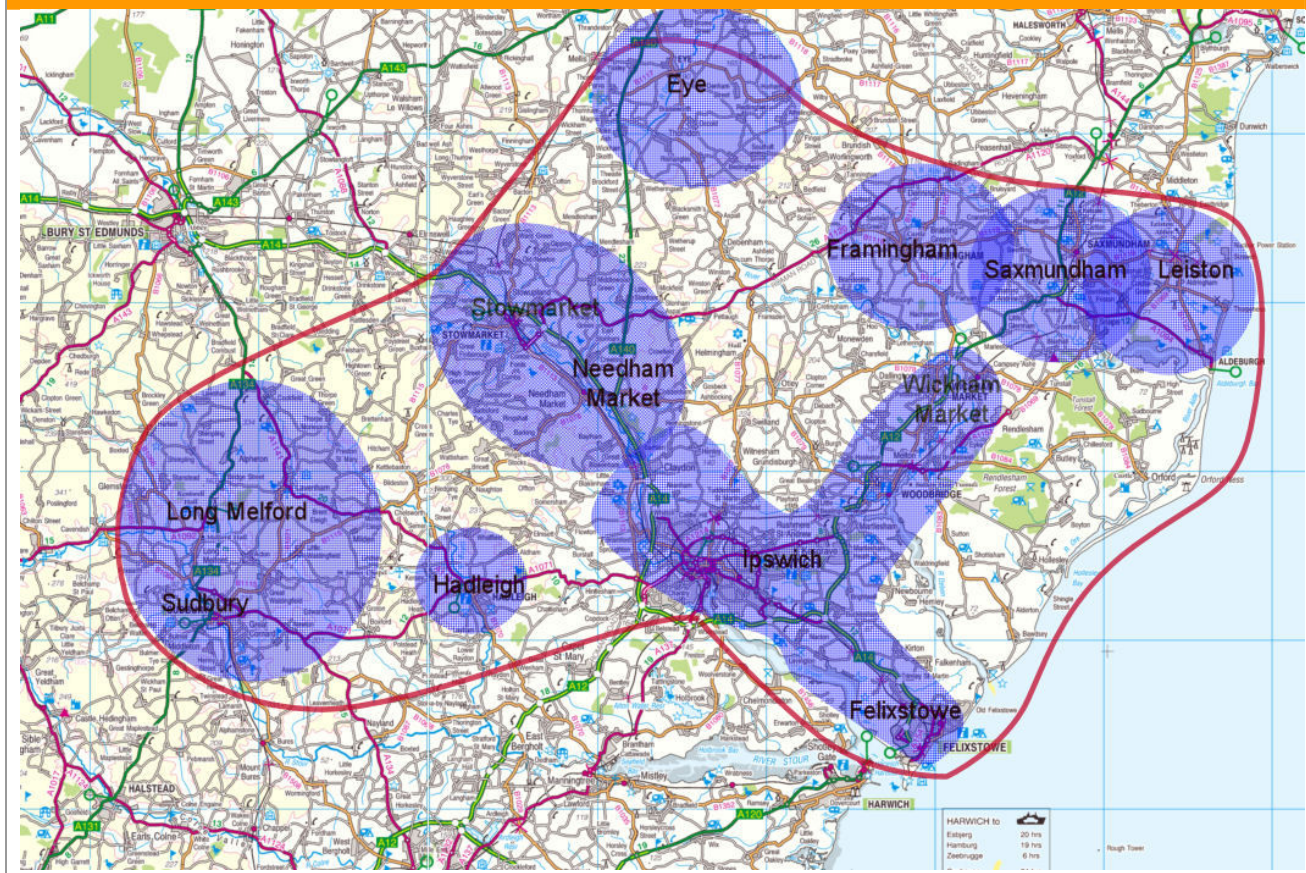
- The impact of the downturn in the housing market
 - The impact of defence personnel
 - The housing needs of older people
- 3.12 The methodology was exactly the same as that undertaken for SHMAs in Braintree, Chelmsford, Colchester and Tendring.
- 3.13 The discussions with developers are considered to be particularly important in the light of planned housing growth in the area and neighbouring districts. In selecting agents the research aimed to achieve a mix of local independent agents and those with national coverage.
- 3.14 The main findings of the estate agent interviews are presented below whilst detailed findings are contained in Appendix 2.

Main findings from visits to agents

The spatial extent and character of sub-markets within the study area

- 3.15 The following map shows the character of the area and illustrates the key conclusion of the work with estate agents. The main finding derived from the estate agent interviews is that the study area consists of a number of distinct sub-areas based upon Ipswich and the surrounding market towns.
- 3.16 A housing market can be defined as an area within which the majority of sales transactions take place internally. As can be seen, the largest housing market within the study area consists of Ipswich, Felixstowe and Wickham Market, Woodbridge, Martlesham and Martlesham Heath. The study area also contains a number of smaller housing markets consisting of either a single area such as Eye, or more than one area combined such as Long Melford, Sudbury and Great Cornard. There is some overlap between housing markets, especially between Aldeburgh, Saxmundham and Leiston.
- 3.17 The qualitative data (i.e. interviews with estate agents) which suggested a high degree of self-containment in the study area is further supported by quantitative data on migration and travel to work patterns discussed in Chapter 2. As such, it is arguable that the study area comprises a coherent housing market consisting of several smaller sub-markets with distinct characteristics. Importantly, the map does not exactly follow the four district council boundaries, suggesting that the housing market boundaries are more vague i.e. there may be some overlap between housing market boundaries.

Figure 3.1 SHMA sub-markets



Source: Fordham Research Ipswich SHMA 2008: based on survey of estate and letting agents

3.18 The survey suggested that the housing market area goes beyond the boundaries of the study area towards the County boundary i.e. Suffolk has a coherent housing market. The level of self-containment varies greatly across the study area. It is high in most parts but lower in parts of Ipswich, Babergh and Mid Suffolk that are more accessible to London commuters. Similarly, in-migration comes mostly from London and Essex. Many towns and large villages, even individual residential areas, have considerable character that is not reflected in current prices when compared to other parts of the country. Many transactions in the large villages are by older people seeking quiet retirement locations.

Other characteristics of the housing market and sub-markets

3.19 **Entry level prices** vary to a degree, but start at £115k for a terraced house (£400 pcm renting). The second-hand market for sale was stagnant due to the time of year (late December 2007/early January 2008). Also, prices are generally very compressed. Most homes on the market are under £500k, unlike other rural markets where prices exhibit a considerably wider range. Investor activity continues to be high especially in the apartment market. In one development 90% of sales were going to investors.



Waterside (Ipswich) apartments nearing completion.



Waterside (Ipswich) buildings awaiting acquisition with planning permission.

3.20 Investors are generally currently interested in cheaper property and new homes. Whilst **the apartment market** in Ipswich is very visible, it is delivering smaller homes for young people in step with the local economy. Many of the apartments were being bought or rented by investors and relatively wealthy professionals employed by local IT companies or within the health sector. A few of the apartments situated close to Ipswich rail station were being bought by commuters. However, there is currently no detailed information on whether buyers are local people or in-migrants and what proportion of apartments are second homes or vacant, suggesting the need for further research in the form of a housing needs assessment.

3.21 There is considerable demand for apartments that are in the private rented sector. Alongside retail and cultural developments it is likely that the development of apartments will lead to the successful re-development of the southern part of the town. According to the Ipswich housing market study, undertaken by Savills (March 2008), 43% of new homes sales in the region in 2006 were apartment sales compared to 15% in 2001 (approximately 79% in 2006 in Ipswich). This has led to a scarcity of new housing driving house prices up by 46% since 2002 compared to 26% for apartments during the same period.



An agency located near the waterside telling us of the high demand for private rented accommodation.



Development near the waterfront aimed at the leisure market.

- 3.22 However, there is some evidence that the Ipswich apartment market has become saturated as some developers were offering discounts of around £15,000 on properties valued at around £125,000. This discount reduces the value of the new apartments to around their second-hand value. This view is confirmed by the Savills report (March 2008) which suggests that the high levels of apartment supply currently in the town centre has led to significant questions being raised about the viability of further apartments schemes being brought forwards within the town.
- 3.23 A further factor just emerging at the time of the survey is the **credit crunch**. The impact of this had not filtered down at the time. More recent studies in similar housing markets have demonstrated that first-time buying is most affected. This is due to 10% deposits being required and more prudent lending even for shared ownership mortgages. This is significant for the whole housing market whether newbuild or second-hand and in any location within the reach of first-time buyers.
- 3.24 **The private rented sector** is buoyant everywhere, but especially in Ipswich. There is considerable demand and a good supply. This is partly driven by many households being unable to afford entry level home ownership. It is also driven by large employers who have a considerable impact on the market, especially in the Ipswich Policy Area (IPA). The market for newbuild apartments in the north of Mid Suffolk District is also of interest to investors. An anomaly is in the north of Suffolk Coastal District. Here there is a large market of rented *houses* to support the specialised support workers for the nuclear power station.
- 3.25 However, again according to the Savills (2008) report, the buy-to let market in Ipswich has been adversely affected by the over-supply of apartments. They argue that whilst the sale of apartment schemes has historically been led by at least 50% of market sales to the 'buy to let' market that this market has virtually evaporated nationally. Supply issues in Ipswich indicate this market will not return during the foreseeable future. They envisage 750 apartments being empty and available 'to let' in the Ipswich market by the end of 2008. Current market supply of 500 units is recognised by local agents as representing a vast over-supply.
- 3.26 Agents see the newbuild and apartment market and the second-hand market as markets attracting different purchasers. People who buy new-build housing or apartments tend to do so for practical reasons, particularly the certainty of entry date and price. However, new-build house buyers comprise a relatively small proportion of all house buyers. Most people buy properties in the second-hand housing market because, on a like-for-like basis, they tend to be cheaper and offer more choice than the new-buy housing market.
- 3.27 With the exception of Sudbury, agents do not see a major link with Colchester. Prices are higher there and it is nearer to London. The housing market area for the study area is more self-contained.



Different approaches to newbuild in Babergh District



Cheaper apartments for sale in Ipswich town centre.

Other topics for investigation informed by agents and sales staff

- 3.28 Other issues were presented in more rural communities. Agents drew attention to the rural market being of great interest to retiring households. There was some concern that this would be to the detriment of communities as a whole – falling school rolls and the increased difficulty of providing support and care for households containing frailer people especially if they live alone. Rural living would present a challenge to the daily London commuter due to the road network.
- 3.29 The impact of migrant workers. These are present throughout the study area and are employed in all routine occupations within agriculture, food, tourism, hospitality, construction and care. It is another call on the resources of the private rented sector.
- 3.30 The impact of second homes was only really evident in the northern part of Suffolk Coastal District.
- 3.31 The impact of the downturn in the housing market. Weakening of prices is a factor in renewed interest by the investor. It is still difficult for first-time buyers to compete due to the credit crunch.
- 3.32 The impact of defence personnel is only apparent in Hadleigh and was considered to be minor by the agents as estate based married quarters are provided.

Meeting with RSLs regarding shared ownership

- 3.33 We were invited to attend a meeting between Ipswich Borough Council and the RSLs who were offering shared ownership.

3.34 The main point that arose was that achieving sales was very difficult and long vacancy periods had arisen that were being closely monitored.

3.35 The main issues that were discussed were:

- The 35% shared ownership target within the affordable housing target was probably too high. The group was keen to see more flexibility and some re-designation to social rent
- That access to it was through the social housing system. Problems occurred because customers did not see themselves as social tenants though they did value the housing management that the rent element brought with it. This should be compared to open market HomeBuy which utilised on site sales staff where newbuild property was concerned
- Delays were also encountered due to legal paperwork not being ready in time between the developer and the RSL
- The RSLs were in competition with developers offering shared ownership, therefore issues like specification and packages such as carpets and white goods mattered.
- Some property had come back on the market because of tenancy failures. These tended to be the clients on the limits of affording the housing and were more likely to be those who had taken low home ownership elements
- The key worker lease was problematic and would prove to be a disincentive.
- Fewer problems in achieving sales volumes were experienced by the RSLs that put most effort into advertising and marketing and those sites where good working relationships existed between the RSL and the developer on site sales staff

3.36 Staff said that large volumes of property coming on stream at the same time presented problems for them. We suggested that this may be a greater issue in future as the revised housing growth targets are delivered.

Follow up discussions with the Homebuy agent

3.37 Orbit First Step is the government appointed HomeBuy Agent for Norfolk and Suffolk (excluding Forest Heath and St Edmundsbury). The organisation gives priority to HomeBuy applicants who are:

- Nominated by the appointed HomeBuy Agent in the area where they want to buy a property
- Currently either living in a Council or Housing Association property or registered on the Local Authority's housing waiting list
- Public sector Key Workers as defined under the Key Worker Living eligibility criteria in the region in which they work
- First-time buyers

- People who own their own home but have to move because of relationship breakdown, health problems, overcrowding or social problems without the means to buy a suitable property
 - Owner-occupiers who need to move to a more expensive area to secure employment
- 3.38 Orbit have a range of intermediate housing products which provide either equity loans which 'top up' the amount of money applicants are able to raise to buy a property and shared ownership products which enable applicants to purchase between 25% and 75% of suitable properties.
- 3.39 However, according to a HomeBuy representative, although the take-up of HomeBuy products has been generally low, this is particularly acute in Ipswich where there are many apartments for sale. The issue is further exacerbated by high service charges and apartments which lack parking spaces. Further, many applicants on the Orbit database are interested in houses rather than apartments as purchasers have all different circumstances i.e. growing families, looking to start a family etc. Finally, the representative stated that the popularity of the HomeBuy scheme depends on where developments are situated as properties may be located in more or less popular areas and may offer differing levels of local amenities.

Meeting with the Private Landlords' Forum

- 3.40 We were invited to this meeting in order to understand local issues and to encourage attendance at the stakeholder workshops to be held for the Strategic Housing Market Assessment.
- 3.41 We noted with interest the information given and discussion around the local housing allowance and the housing health and safety rating system.
- 3.42 Of particular interest was the address given by the University Campus Suffolk (UCS) representatives. Officials outlined growth plans for the university involving its new site on the dockside. They explained that the growth in student numbers was an opportunity for landlords and outlined their accreditation scheme. Although the university campus does not supply its own student accommodation, it does operate an accommodation office which provides a list of accredited landlords offering a range of student residential accommodation.

Interviews with developers' on site sales staff

- 3.43 These discussions were particularly interesting given the levels of newbuild housing planned for the study area.

- 3.44 Findings have been particularly interesting in respect of the market for apartments and larger scale developments. These findings have been incorporated into the report.
- 3.45 Five developments were visited. The findings in relation to the apartment market are summarised below. There is a more detailed account of interviews in Appendix 2.
- 3.46 Main findings are that:
- All developers are seeking to diversify newbuild away from apartments
 - Prices are mostly beyond the reach of local people
 - The investor is having a major impact on lower priced property
 - Most developers are offering shared equity terms for lower priced property

Consultation with BME stakeholders

- 3.47 The Strategic Housing Market Assessment guidance attaches considerable importance to the challenges faced by many Black and Minority Ethnic (BME) and other groups. Later chapters of the report summarise the evidence base describing the experiences of these groups. Whilst the BME groups are mostly resident in the Ipswich policy area, nevertheless the support infrastructure is accessed by groups resident in other districts.
- 3.48 A focus group was arranged to gather local BME and other community organisations and Support Groups to discuss accommodation issues in the study area. However, after a low turn-out for that meeting, a series of individual interviews was conducted to supplement the information.
- 3.49 In addition, the Director of the Ipswich and Suffolk Council for Racial Equality (ISCRE) was interviewed at length. This meeting and subsequent telephone discussions concluded that many representative organisations were suffering consultation fatigue and that consultation with individual organisations was the most appropriate way forward. Further meetings with BME community organisations were held later on in the study to discuss the consultation draft report and findings. Details of these meetings can be found in Appendix 2.

Framework and purpose of the BME consultation

- 3.50 The information presented in this chapter will give depth and context to the figures presented in Chapter 10. The discussion aims to provide information on:
- The minority ethnic population
 - The suitability of current housing stock
 - Accommodation aspirations
 - Community cohesion and effects on accommodation choices
 - Accommodation services

BME consultation: Main Findings

- 3.51 From a population perspective a large number of those from a minority ethnic background in the study area were second or third generation; it was felt by local stakeholders that the number of new immigrants has halted in recent years due to immigration restrictions. It was, however, noticeable that those who had been here a number of years were in a position to apply for visas for families and spouses, and that this sub-group made up the majority of new immigrants to the area.
- 3.52 There was a mixture of different ethnic groups in the study area, each with similar but specific issues relating to housing. It is well documented that Asian families have larger households than other ethnic groups; for example, the average size of a Bangladeshi household is 4.5 persons compared to the national average of 2.4 persons². It was reported by stakeholders that Bangladeshi households who were on the Housing Register had to wait years in some cases for suitable accommodation to become available due to the small amount of four- and five- bed housing stock that the authorities owned.
- 3.53 Some minority ethnic groups were limited in their ability to access council housing by they and their families' status in the UK. Those who are granted leave to remain in Britain can apply for families to join them providing that the family will not be in receipt of state funding; a number of ethnic minority households are therefore restricted to the private rented market.
- 3.54 Stakeholders agreed that there were many housing related support needs for these families; for year 06/07 the Suffolk Refugee Support Forum reported that 18% of all enquiries related to housing and maintenance.
- 3.55 Common problems that minority ethnic families in the private rental market faced, according to stakeholders, included language barriers and a low understanding of the bureaucratic aspect of renting accommodation. For example, some had thrown important letters away because they did not understand the content; whilst others did not know that they were required to take meter readings for bills. It was felt that this was exacerbated in some cases, such as within the Kurdish community, where households moved often within the rental market.
- 3.56 By far the largest ethnic minority communities live within Ipswich Town. Stakeholders pointed to the differences between the aspirations of the general population and many minority ethnic groups. Whilst it could be said that the general population aimed to live in the countryside, many minority ethnic households preferred to stay within built up areas. Reasons for this can include proximity to other members of their community and access to local services and religious centres.

² Office of National Statistics *Average Household Size: by ethnic group of households reference person*, April 2001, GB

- 3.57 All stakeholders mentioned the needs of ethnic minority women; many of whom tended to be more recent arrivals to the area due to original immigrants bringing over new and existing family members. In some ethnic minority communities it was uncommon for women to drive and therefore proximity to local services was important when deciding where to live. English literacy levels were also reported to be lower among minority ethnic women than men which can evidently create problems when interacting with the existing community.
- 3.58 Stakeholders agreed that there were some tensions between different communities, however these did not amount to a scale where any areas within Ipswich had become no-go areas for minority communities.
- 3.59 Stakeholders expressed a mixed view of services that the local authorities provided to minority communities in relation to housing. The Borough Council was praised in one aspect for attempting to mainstream ethnic minority issues rather than providing separate services that could lead to a sense of segregation. However, it was felt that funding and the knowledge of staff were not always adequate.
- 3.60 It was reported that staff in some instances did not have enough time to clearly explain procedures to those with a limited grasp of English, and in some cases were unclear as to the person's rights. It was suggested that the Council could provide pamphlets that explained the housing rights of different groups, and also explained procedures for those renting in the private market.

Initial stakeholder workshops

- 3.61 A detailed account of the workshops involving various stakeholder groups appears in Appendix 2.
- 3.62 The stakeholder groups were:
- Professional stakeholders including developers, RSLs, the PCT and Council officials
 - Elected members
 - The voluntary sector, community groups and members of the public
- 3.63 Workshops were arranged in two phases, initial workshops to understand perceptions and concerns, a second workshop to discuss findings and policy implications. Details of these can be found in Appendix 2.
- 3.64 The main conclusions are listed here and are referred to where appropriate throughout the report. One further important outcome is that developers and Council officials had an opportunity to share and consider each others perspectives.

Stakeholders

- There is a severe shortage of affordable housing in the study area and such accommodation as is provided should seek to meet the needs of a wide range of household types
- There was concern about the sustainability of the private rented sector and its reluctance to let to those on housing benefit. The implications of the Local Housing allowance were of concern. Also the capacity of the sector might reduce if property values increase.
- There needs to be a range of affordable and market homes, including bungalows, for older people, in both rural and urban areas
- Lack of single person housing available through Councils and RSLs
- To meet strategic housing requirements a balanced approach towards brownfield and greenfield, as well as high and low density planning and development is needed
- Involve PCTs at the earliest opportunity so that they can plan to provide care for potential patients, especially in-migrating older people
- Look at the impact of flood risk in future planning and development
- There is insufficient housing for ex-offenders with mental health disorders
- Concern for migrant workers and refugees regarding housing
- Ensure involvement of stakeholders throughout the SHMA process and beyond

Elected Members

- Affordability issues and what implications this has for future social housing
- Should there be more housing for rent rather than shared ownership
- Small development sites of 8-10 houses in villages where a need has been established
- Ipswich should be treated as separate to the rest of Suffolk. Housing to assist Ipswich will need to be developed within a sustainable travel distance for work
- Impact of second homes on sustaining rural communities
- Ageing population and a range of accommodation needs to be developed for them
- Accommodation for men in their 40s and 50s, particularly after family separation

The project steering group

3.65 Periodic meetings were held with the steering group. The purpose of meetings were:

- To inform the client of progress against the timetable and project milestones
- Discuss emerging issues relating to the Strategic Housing Market Assessment
- Exchange and explain information
- Ensure that the steering group was fully engaged in the Strategic Housing Market Assessment process and in a good position to carry the work forward

3.66 Specifically the group considered:

- The market survey information summarised above
- Issues arising from stakeholder consultation
- Interim and draft reports

Summary

- Both the quantitative and qualitative data suggests that the study area comprises a coherent housing market consisting of several smaller sub-markets with distinct characteristics.
- Considerable detail was gathered by visiting many parts of the study area. Its character can be summarised as containing the County town of Ipswich, a relatively confined urban area, surrounded by mainly rural districts, although the picture is complicated by the context of the Haven Gateway, such as the port of Felixstowe.
- Local estate agents described a large range of differing housing sub-markets within the study area. Some local housing markets attract a significant proportion of buyers from outside the County, especially London and Essex. Outside Ipswich, Suffolk towns are a popular retirement destination. There is a sustained supply of apartments within Ipswich although a large proportion of new apartments are being sold to private investors.
- The private rented sector is buoyant. It is being courted by the University to provide student accommodation as well as helping to meet the unmet need for affordable housing. Due to current economic circumstances and the 'credit crunch' developers are offering significant incentives for apartment sales and are offering shared ownership on selected sites that compete with RSLs seeking affordable intermediate shared ownership. In Ipswich, RSLs are experiencing significant problems in selling large volumes of shared ownership homes.
- Discussions were held with representatives of Black and Minority Ethnic groups (BME). These suggested that the main problem experienced by these groups, which are almost exclusively found within the town of Ipswich itself, are concerned with the private rented market. That is partly because those who do not have full citizenship are restricted to that tenure. They have sometimes experienced difficulties due mainly to language. It was suggested that simple pamphlets explaining procedures and the rights of different groups would be a valuable aid towards resolving any problems.

- Stakeholder workshops revealed a wide ranging series of concerns mostly about the tenure and characteristics of newbuild housing and the groups of people that might occupy them. It was anticipated that the detailed findings of the Strategic Housing Market Assessment would inform such issues.
- A series of Steering Group meetings was held, through which both parties were kept informed of the progress of the project, and which enabled the smooth running of it.
- The policy and strategic context for BME community housing issues can be found in Chapter 4, focus on their economic and demographic context are reviewed in Chapter 5, with BME population projections presented in Chapter 8. In depth consideration is provided in Chapters 10 and 12 and the particular challenges faced by BME communities.
- The private rented sector across the study area is explored further in chapters 5 and 6, with costs considered in Chapters 7, 14 and 15, and its place in housing those on Housing Benefit in Chapter 9 in the context of housing need. Students as a significant source of tenants in the private rented sector are reviewed in Chapter 12. Appendix A3 includes information relating tenure to the context of migration.
- The impact of the credit crunch is considered further in Chapter 5 in the context of national and regional economic policy and circumstances. Shared ownership is discussed as part of the active housing market in Chapter 7 and in relation to housing need and market gaps in Chapters 9 and 13 respectively. Appendices A2 and A3 also refer to shared ownership.

4. Policy and strategic context

The purpose of this chapter is to:

- Provide an overview of the planning and housing policy context
- Outline the main provisions of the Regional Spatial Strategy (RSS) (East of England Plan), East of England Regional Housing Strategy (RHS) 2005-2010, East of England Economic Strategy and community strategies
- Discuss national housing trends

Introduction

- 4.1 This chapter provides an overview of the planning and housing policy context. The publication of PPS3 in November 2006 has brought greater emphasis on an evidence-based approach to policy formulation. Regional Spatial Strategy (RSS) and Local Development Document (LDD) policies should be informed by a robust and, where possible, shared evidence base. In particular, authorities should develop a better understanding of housing need and demand through a Strategic Housing Market Assessment, and housing land supply through a Strategic Housing Land Availability Assessment.
- 4.2 These assessments are therefore an important part of the policy making process. They provide information on the level of need and demand for housing and the opportunities that exist to meet it. Government Guidance states that assessments should be prepared collaboratively with stakeholders.
- 4.3 In order to maximise resources and encourage cooperation between local authorities the first East of England Regional Housing Strategy (2003) identified housing sub-regions within the East of England. Based on local authority boundaries, it listed nine in total. The four study area local authorities of Ipswich Borough Council, Babergh District Council, Mid Suffolk District Council and Suffolk Coastal District Council were identified as being part of the Suffolk housing market sub-area.
- 4.4 Furthermore, previous Structure Plans acknowledged that Ipswich Borough has a tightly defined administrative area with few areas available for peripheral expansion. The now superseded Suffolk Structure Plan defined a 'Greater Ipswich' urban area which acknowledged that parts of the continuous built up area of the town lie outside Ipswich Borough in Babergh, Mid Suffolk and Suffolk Coastal Districts although they do not imply or refer to a specific geographical area.

- 4.5 In contrast, the Ipswich Policy Area, which extends into the three adjoining districts – Mid Suffolk, Babergh, and Suffolk Coastal - was first defined in the Suffolk Structure Plan 1979 as the functional area for strategic policy purposes, including the provision of guidance on the future scale and distribution of housing growth around the town and the monitoring of growth.
- 4.6 As such, the local authorities have agreed to work together using a consistent methodology to produce the Strategic Housing Market Assessment for the study area. Government Guidance sets out detailed methodologies for carrying out the assessment.
- 4.7 A Strategic Housing Market Assessment is broader than the Housing Needs Assessments that had previously been completed by the Councils. It will examine socio-economic trends, demand pressures and key drivers. The SHMA will project future need for affordable and market housing and thereby will influence the development of housing and planning policy.
- 4.8 PPS3 Annex C states that a Strategic Housing Market Assessment should:
- Estimate housing need and demand in terms of affordable and market housing
 - Determine how the distribution of need and demand varies across the plan area, for example, as between the urban and rural areas
 - Consider future demographic trends and identify the accommodation requirements of specific groups such as: homeless households, Black and Minority Ethnic groups, first-time buyers, disabled people, older people, Gypsies and Travellers and occupational groups such as key workers, students and operational defence personnel

- 4.9 Further, it states that:

“Based upon the findings of the Strategic Housing Market Assessment and other local evidence, Local Planning Authorities will then need to set out in Local Development Documents:

- *The likely overall proportions of households that require market or affordable housing, for example, x% market housing and y% affordable housing.*
- *The likely profile of household types requiring market housing e.g. multi-person, including families and children (x%), single persons (y%), couples (z%).*
- *The size and type of affordable housing required.”*

- 4.10 Lastly, PPS3 states that:

“In Local Development Documents, Local Planning Authorities should:

- *Set an overall target for the amount of affordable housing to be provided.*
- *Set separate targets for social-rented and intermediate affordable housing*

- *Specify the type and size of affordable housing*
- *Set out the range of circumstances in which affordable housing will be required*
- *Set out the approach to seeking developer contributions to facilitate provision of affordable housing.”*

4.11 In this context the findings of the Strategic Housing Market Assessment provide an important part of the evidence base to support policy development.

Draft RSS: East of England Plan (2004)

4.12 The draft East of England Plan was first published in 2004. It was then subject to an Examination in Public between December 2005 and March 2006, the results of which were published in December 2006. On 23 October 2007 the Government published *Further Proposed Changes to the Draft East of England Plan* and after consultation the East of England Plan was adopted on May 12th 2008.

4.13 The RSS³ covers the period to 2021, but sets a vision, objectives and core strategy for the longer term (p.6). The main objectives of the strategy are to:

- Increase prosperity and employment growth to meet identified employment needs of the region, and achieve a more sustainable balance between workers and jobs
- Improve social inclusion and access to employment and services and leisure and tourist facilities among those who are disadvantaged
- Maintain and enhance cultural diversity while addressing the distinctive needs of different parts of the region
- Increase the regeneration and renewal of disadvantaged areas deliver more integrated patterns of land use, movement, activity and development, including employment and housing
- Sustain and enhance the vitality and viability of town centres
- Make more use of previously developed land and existing buildings, and use land more efficiently, in meeting future development needs
- Meet the region's identified housing needs, and in particular provide sufficient affordable housing protect and enhance the built and historic environment and encourage good quality design and use of sustainable construction methods for all new development
- Protect and enhance the natural environment, including its biodiversity and landscape character.

³ East of England Plan (The Secretary of State's Proposed Changes and Further Proposed Changes to the Draft Revision to the Regional Spatial Strategy for the East of England), May 2008

- Minimise the demand for use of resources, particularly water, energy supplies, minerals, aggregates, and other natural resources, whether finite or renewable, by encouraging efficient use, re-use, or use of recycled alternatives, and trying to meet needs with minimum impact
- Minimise the environmental impact of travel, by reducing the need to travel, encouraging the use of more environmentally friendly modes of transport, and widening the choice of modes
- Ensure that infrastructure programmes, whether for transport, utilities or social infrastructure, will meet current deficiencies and development requirements; and that the responsible agencies commit the resources needed to implement these programmes and co-ordinate delivery with development
- Minimise the risk of flooding.

4.14 In terms of housing, the East of England Plan states that housing markets vary but there are affordability problems in most parts of the East of England. In the East of England as a whole, provision will be made for at least 508,000 additional dwellings over the period 2001 to 2021 (p.46) (see Table 2.1 for a more detailed description of RSS targets).

4.15 However, the RSS states that as the figure of 508,000 dwellings falls significantly short of what is needed based on the evidence about housing pressure, affordability and household projections it encourages district councils to see these targets as minimums, rather than ceilings which should not be exceeded (p.46).

4.16 The mechanisms listed by which local planning authorities should seek to exceed the allocations shown are in line with PPS3 and will complement any additional provision identified through the early review of the RSS. They should aim to exceed the annual average rates for 2006 – 2021, if more housing can be delivered without breaching environmental limits and infrastructure constraints, by⁴:

- Increasing density, consistent with criteria in PPS3
- Encouraging opportunities on suitable previously developed sites
- Making best use of policies on exceptions sites to provide affordable housing in rural areas

4.17 According to the RSS, out of a total annual provision of 23,900 new homes, the region needs approximately 11,000 new affordable homes each year (comprising 7,200 social rented, 2,400 intermediate rent and 1,320 social rented backlog). As such, it recommends that, at the regional level, some 35% of housing coming forward as a result of planning permissions granted after the adoption of the RSS should be affordable although it states that councils should aspire to around 40% affordable provision where housing stress warrants it⁵.

⁴ East of England Plan, pp.46-54

⁵ RSS, 2004, p.54

- 4.18 The housing provisions between 2001-2021 for the study area are outlined in the table below:

Table 4.1 Housing provision 2001-21			
	Total to build April 2001 to March 2021	Of which already built April 2001-March 06	Minimum still to build April 2006 to March 2021
Ipswich	15,400	2,880 (580)	12,520 (830)
Babergh	5,600	1,340 (270)	4,260 (280)
Mid Suffolk	8,300	1,900 (380)	6,400 (430)
Suffolk Coastal	10,200	2,560 (510)	7,640 (510)
Total	39,500	8,680 (1,740)	30,780 (2,050)

Source: East of England Plan in May 2008

Please note that figures in brackets denote annualised housing requirements

- 4.19 A significant proportion of the growth in households and population will be as a consequence of indigenous or natural growth within the existing population: 59% of household growth will come from the formation of new households within the existing population, particularly by young people as they grow to adulthood, and 18% of the population growth will come from the continued excess of births over deaths in the region as a whole. The remaining growth is projected to come from the balance of net migration into the region⁶.
- 4.20 However, according to the Examination in Public Report (June 2006), there are conceptual questions about how much of the overall need, including key worker housing, would be met from new supply and whether it is realistic to plan to reduce the past backlog to nil over ten years.
- 4.21 Further, it states that these arguments are largely academic for the foreseeable future, as in its view there is no practical likelihood of 11,000 dwellings annually or 40% of the total new supply being “affordable” at least for the first half of the Plan period. The reasons for this include the likely availability of funding and the inertia of existing commitments in seeking to move from the current rate of delivery of around 2,000 affordable homes per annum or some 10% of completions⁷.

⁶ East of England Plan, p.7

⁷ Examination in Public Report, June 2006, p.127

4.22 However, it is important to note that the ‘total’ figures for Ipswich *include* new housing provision as part of the wider Ipswich Policy Area (IPA) as defined in Chapter 2, whilst the figures for Babergh, Mid Suffolk and Suffolk Coastal *exclude* new housing provision as part of the wider IPA. It may therefore be useful to examine the EiP Panel’s suggested modifications in relation to district council areas:

Table 4.2 Study area annual housing provision 2001-2021 (including IPA)		
District	RSS pa	Percentage of overall planned growth
Ipswich Policy Area(1)	20,000	39.0%
Babergh (2)	5,000	14.2%
Mid Suffolk (2)	7,500	21.0%
Suffolk Coastal (2)	7,000	25.8%
Study area	39,500	100.0%

Source: Ipswich SHMA Fordham Research, 2008

(1) Figures are for Ipswich Policy Area (IPA) and include provision of 15,400 dwellings within Ipswich, as well as provision in the IPA within Babergh (600), Suffolk Coastal (3,200) and Mid Suffolk (800)

(2) Figures exclude provision on the edge of Ipswich as part of the Ipswich Policy Area

4.23 The table above suggests that whilst the largest proportion of new development will take place in Ipswich, nearly half (46.84%) will take place in Mid Suffolk and Suffolk Coastal, and to a lesser extent, Babergh.

4.24 Importantly, some stakeholders (see Appendix 2) suggest that the current negative economic conditions may adversely impact on housing supply, within the short to medium term. One developer stated that the credit crunch will impact on land supplies over the next five years. The developer stated that the effect of this will be ‘devastating’ unless institutions respond immediately. They argued that the impact of the credit crunch in 2009 will be worse than in 2008 as builders have already forward sold for 2008. As such, this will impact heavily on the five-year supply, with little or no supply coming through whilst problems resulting from changes in land value will impact on land coming through. They further stated that some small, niche builders in the study area had already gone bust.

Regional Housing Strategy

4.25 The East of England’s Regional Housing Strategy (RHS) 2005-2010 suggests that the region requires a total of 478,000 dwellings over the period 2001–2021. As above, this indicates an annual average rate of completion of 23,900 net additional dwellings each year (EERA, 2005: 4).

- 4.26 It suggests that eleven thousand of these additional dwellings will probably need to be 'affordable', i.e. benefiting from some form of subsidy to reduce their cost to the consumer to significantly below the market price. Importantly, the RHS recognises that on the basis of current practice, the volume of subsidy required will certainly be much greater than what is likely to be available from public expenditure.
- 4.27 As such, the RHS proposes a series of measures aimed at: reducing land and construction costs, reducing average subsidy requirements, and maximising the public investment resources available.
- 4.28 However, the RHS acknowledges that the delivery of this scale of housing is dependent upon the timely delivery of infrastructure and job growth, and that the housing completions, infrastructure delivery, job creation and other economic and demographic factors will require close monitoring.
- 4.29 In response, EERA argues that partnership is an important theme in ensuring the required delivery of new housing, and a partnering approach is recommended in planning and managing the supply-chain of new housing schemes across the region which will provide the volume of schemes required. Together with training and similar measures, this will help bring about the improvement in confidence, efficiency and product quality which will be needed from the region's future construction industry⁸.

Housing finance

- 4.30 One issue that may impact on the deliverability of future affordable housing supply targets within the study area is financial limitations. In February 2008 the Housing Corporation, the UK's main funder of affordable housing capital projects, announced the first £3.3 billion investment of its £8.4 billion National Affordable Housing Programme (NAHP) for 2008-11. The Housing Corporation is planning to provide at least 155,000 new affordable homes in the next three years, almost double the number of affordable homes compared to 2006-08. More than 100,000 of these will be for affordable rent, and more than 50,000 for affordable sale through the Government's HomeBuy initiatives (see Chapter 3 for discussion regarding HomeBuy in the study area).

⁸ EERA, 2005, pp. 4-5.

- 4.31 However, according to the East of England Regional Assembly's (EERA) Housing Investment Plan 2008-2011, the Affordable Housing Programme is still only meeting half the identified need for affordable homes within the region. The supply chain data suggests that 22,037 new affordable homes could be delivered over three years (7,345 p.a.) at a cost of £778m. Importantly, 7,345 p.a. equates to 30% of all newbuild dwellings, which is below the 35% target for affordable dwellings recommended by the revised East of England Plan. According to EERA, £778 million equates to around a 20% funding shortfall compared with the Regional Housing Pot (RHP). The region was recently allocated £711 million for the period 2008-11 which suggests a smaller funding shortfall of around 10%.
- 4.32 In response, EERA is seeking to meet the investment gap by maximising public subsidy through planning gain/section 106 (see Glossary for definitions), and drawing on the good practice regarding delivering affordable housing on sites subject to section 106 agreements. However, the report confirms that under-investment remains a barrier to the delivery of affordable housing within the region. Furthermore, it argues that inadequate investment in the supporting infrastructure seriously risks undermining the region's efforts to achieve and deliver sustainable communities.
- 4.33 EERA identifies the housing investment priorities within the Greater Haven Gateway (GHG). It argues that the GHG sub-region is distinctive as it encompasses Growth Point status areas centred on the major urban boroughs of Ipswich and Colchester as well as extensive rural and coastal districts. The sub-region's strategy for new affordable housing reflects these diverse pressures and seeks to concentrate grant on:
- Delivering growth on larger section 106 sites – mostly brownfield, grant support is essential to deliver the type and tenure of homes needed from these sites
 - Rural schemes which meet local needs and help deliver on Growth supported housing schemes
- 4.34 As discussed in detail in Chapter 10, EERA recognise that whilst the sub-region overall has a low proportion of BME groups in the population there are more significant populations within the major urban areas e.g. Ipswich. It argues that with no evidence that specific development is required, BME needs are met within mainstream housing helping promote integration and community cohesion. However, EERA pledges to monitor effectively to ensure needs are being met. Similarly, EERA acknowledge that throughout the sub-region, but coastal areas in particular, there is a higher proportion of older households, with the commensurate funding pressures, for example, for disabled facilities grants.

- 4.35 Despite these aims one crucial issue is how the £711 million regional housing budget for 2008-11 will be allocated. As shown below, the budget will broadly be distributed along thematic and spatial lines. In terms of spatial distribution, it is possibly unsurprising that the largest proportion of the budget is dedicated towards new developments in the London Commuter Belt, where housing affordability is most exacerbated, at £240 million or 33% of the total regional housing budget for 2008-11. In comparison, the Greater Haven Gateway's allocated budget is £76.8 million or around 11% of the total regional housing budget for 2008-11.
- 4.36 Importantly, around three quarters of the regional housing budget for 2008-11 is dedicated to providing new dwellings within growth areas, with most of the remaining budget divided between rural and supported housing and a small percent dedicated to BME housing. So, in the context of this SHMA, it is likely that much of the budget will be dedicated to providing new dwellings within the part of the study area that is covered by the Haven Gateway growth area whilst relatively fewer funds will be made available to those parts of Babergh, Mid Suffolk and Suffolk Coastal that are not within the Haven Gateway. This is likely to negatively impact on the extent to which councils within the study area will be able to meet their affordable housing supply targets.

Figure 4.1 Regional housing budget distribution 2008-11

Table 4 - Comparison to Regional Assembly recommendations

	Regional Assembly recommendations		Proposed programme	
Value (£m)	£711m		£186.6m (inc OMH)	
Homes (08-14)	23 700		5816 (inc OMH)	
Regional priorities	% resource	£m		
THEMATIC SPLIT				
Growth	75%	533.25m	76.6	
BME	3%	21.33m	0	
Rural	11%	78.21m	28.7	
Supported	11%	78.21m	10.36	
SPATIAL SPLIT				
Bedfordshire	8.9%	63.3m	31.1m	
Cambridge	15.8%	112.3m	27.7m	
Greater Norwich	8.5%	60.4m	5.5m	
Haven Gateway	10.8%	76.8m	10.5m	
London Commuter Belt	33.8%	240.3m	25.3m	
Peterborough	5.4%	38.4m	4.8m	
Rural East Anglia	4.0%	28.4m	7.8m	
Yarmouth & Waveney	3.0%	21.33m	1.0m	
Thames Gateway	9.8%	69.7m	21.5m	
Larger Family Homes	23% rent	10% sale	29% rent	20% sale
Tenure Split	60:40 rent:sale (inc OMHB)		64:36 rent sale (inc. OMHB)	

Source: Investment Statement 2008-11, Housing Corporation, 2008

Greater Haven Gateway Sub-Regional Strategy

4.37 According to the Greater Haven Gateway Sub-Regional Strategy, housing priorities are to⁹:

- Maximise delivery of new affordable housing
- Tackle homelessness
- Support people who are more vulnerable in our society
- Improve housing conditions for vulnerable people living in the private sector
- Ensure housing in the sub-region is high quality and sustainable
- Improve access to affordable housing

⁹ Greater Haven Gateway Sub-Regional Strategy, May 2006, p.1

- Ensure equality for all in housing services.
- 4.38 Similar to the regional planning and housing strategies discussed above, the Greater Haven Gateway Strategy acknowledges that a lack of affordable housing in both urban and rural areas is a significant problem, fuelled by rising house prices following the general economic boom and migration from London. It states that whilst levels of planned development of new housing varies, demand for affordable housing is rising, and although homelessness strategies have largely achieved the Government target of keeping families with children out of Bed & Breakfast accommodation, this may not be sustainable and services are stretched¹⁰.
- 4.39 Further, it states that Black and Minority Ethnic communities are small and usually rely on mainstream housing services, often lacking the infrastructure needed to make their housing needs known. There are high levels of disrepair and poor energy efficiency in the private sector and significant investment is needed to bring affordable homes up to the Decent Homes standard. However, the recent changes to funding mechanisms for disabled facilities grants and aids and adaptations are having a significant impact.
- 4.40 Interestingly, the Greater Haven Gateway Sub-Regional Strategy describes how its spending priorities differ from the Regional Housing Strategy as discussed above¹¹:
- A lower share under the growth theme for the sub-region than across the region, balancing a practical view of how many homes are classified in the 2006-8 pipeline under growth with a deliverable target for the future.
 - A lower number of supported schemes in the sub-region's supply chain under the supported theme, partly due to uncertainties of approach to capital linked to revenue funding.
 - Support for the BME communities theme, balanced again with a practical view that there are very few schemes in the pipeline at present which would qualify under this theme.
 - A low percentage for key worker housing, as the view of this sub-region is that public subsidy may not be required to deliver much of the intermediate tenure housing being developed. Rather, intermediate tenures should be secured through planning gain rather than direct grant wherever possible. However a small percentage of the funding available could be used in exceptional circumstances, judged on an individual scheme basis.

¹⁰ Greater Haven Gateway Sub-Regional Strategy, May 2006, p.2

¹¹ Greater Haven Gateway Sub-Regional Strategy, May 2006, p.5

- A high percentage for existing stock, which includes public and private housing. The lack of specific funding to support activities in the private sector has led us to support a high level of public funding to tackle housing standards in privately rented and owned homes, which account for 85% of the sub-region's homes. This is balanced with the assumption that, in council housing, decent homes would be delivered through the stock options appraisal process and should need no additional resources. Housing associations are assumed to be able to deliver decent homes through their business planning processes, however further work will be needed to check out this assumption.

- 4.41 In response to the above, the strategy outlines a number of policy responses around issues including the impact of future growth on the area, key worker and intermediate housing, rural housing, local need and homelessness, supported housing, Black and Minority Ethnic community needs, Gypsies and Travellers, asylum seekers and refugees, private housing conditions, disabled facilities grants, aids and adaptations, empty homes and decent homes and communities.
- 4.42 More specifically in relation to affordable housing, the strategy states that where growth in housing numbers is planned to be significantly more than natural household growth in the area, measures are needed to ensure affordable housing is provided and used properly. This affordable housing must provide for housing need over a larger area than would be considered local need.
- 4.43 As such, the Greater Haven Gateway Housing Sub-Region councils will develop schemes which will be part of a strategic release of land required by regional or sub-regional plans. They will be of mixed tenure and housing types and provide for the range of needs in the incoming population. Residents will come from an area larger than the town or district in which they are located, shown either by homes being let across administrative boundaries, or by on-going monitoring of the origin of households accommodated by the host authority.
- 4.44 The councils will also explore ways to increase the proportion of affordable housing in new developments to a minimum of 30% through a standard s106 agreement across the sub-region and use of other planning mechanisms. Further, it will develop a sub-regional choice based lettings scheme including shared ownership and affordable rented housing by 2010.
- 4.45 The councils will implement schemes which require key worker groups in housing need to be identified. Projects designed to meet this need and arrangements to ensure the scheme will be viable and needed in future. To help create balanced communities, intermediate and key worker housing may be integrated into schemes alongside other homes, providing a range of opportunities for local needs. Key worker units must link to the area's wider economic development strategies and support local employment initiatives.

- 4.46 Finally, the strategy recognises that the sub-region contains only two urban areas (Ipswich and Colchester) and that the problem of affordable housing within the sub-region is a predominately rural issue. This is caused in part by increasing house prices and private rent levels. In many areas local people are unable to access local housing and this means households moving away from their local area. This affects the social fabric and the sustainability of rural communities. Without new affordable homes to help reverse this trend, many villages will become unsustainable commuter or dormitory settlements.
- 4.47 In response, councils are committed to meeting rural housing need through the Rural Housing Enablers, whether administered across Essex or Suffolk. The Rural Housing Enablers have been working to tackle the issue by improving links between parish and district councils, undertaking village housing needs surveys, identifying sites and working with stakeholders to deliver new affordable village homes. The Partnership wants to work with them to develop a more strategic approach to local needs assessments and rural issues in future.

Haven Gateway

- 4.48 Ipswich is one of the five Haven ports of which the remaining four comprise Felixstowe, Harwich International, Harwich Navyard and Mistley. The Haven Gateway Partnership was formed in acknowledgment of the role of the five ports as central hubs and generators of economic activity within the sub-region.
- 4.49 As such, the Haven Gateway Partnership was established to provide a framework within which its private and public sector partner organisations can work together to promote economic opportunities and secure the future prosperity of the region. Babergh, Mid Suffolk and Suffolk Coastal are part of the Greater Haven Gateway sub-region.
- 4.50 Importantly, the Draft RSS Examination in Public Report (EiP) (June 2006) agrees that the Haven Gateway area forms a coherent sub-region. It states that the area has proven potential for development, and capacity has been identified for strong growth over the Plan period. The local authorities and their partners in the Haven Gateway Partnership appear to have established clear aims for growth and regeneration¹².

¹²EiP, 2006 p.45

- 4.51 The EiP also notes that although the generally agreed extent of the sub-region covers parts of a number of districts, it states that the splitting of district housing provision involves unnecessary complications and rigidities for local planning. However, it identifies the only cross-boundary issue requiring special treatment as arising at Ipswich, which introduces a third layer of complexity in draft Plan Policy HG3. In response, they propose that the precise geographical extent of both the Ipswich Policy Area and the Haven Gateway Sub-Region should be agreed for monitoring purposes, between EERA and the local authorities concerned¹³.
- 4.52 In 2006 the Government declared Haven Gateway a 'New Growth Point'. The special status will help deliver critical funding for vital infrastructure and development projects through a new long-term partnership between the Department for Communities and Local Government (CLG) and the Haven Gateway Partnership
- 4.53 Local partners' ambitions for the Gateway include:
- An additional 23,000 jobs and 22,850 homes by 2016 with an aspirational target of 40 per cent being affordable homes
 - New container terminal facilities at the ports of Harwich and Felixstowe handling over 3.6 million containers per annum
 - An international visual arts centre at Colchester
 - The redevelopment of the Ipswich Waterfront including the provision of a new University Campus for Suffolk
 - Maintaining the Gateway's high environmental values and quality of life
 - The regeneration of Jaywick
 - Maximising the role of the sub-region as an international gateway to the UK
 - Projects to enhance the sub-region's role as an area of creativity and innovation
- 4.54 In support of Haven Gateway's growth ambitions the Government is allocating around £5.52m in 2007-08 from the first year's funding pot, subject to detailed negotiation and appraisal. Future funding is dependent upon the outcome of the Comprehensive Spending Review in 2007. The capital bids that have been successful in receiving funding are:
- £2 million is allocated towards the access road for the Community Stadium and employment land at Cuckoo Farm
 - £2 million for riverside public space improvements to King Edward Quay at the Hythe in East Colchester
 - £1.1m relocation of electricity cable from Ipswich Village car park
- 4.55 As discussed throughout this research, it is likely that Haven Gateway policies will have a substantial impact on both the future supply and demand for housing.

¹³ EiP V.1 p.45

SHMAs undertaken by adjacent Councils

- 4.56 It may be useful to consider the findings of SHMAs undertaken by councils adjacent to the study area in order to determine similarities or differences in terms of findings.

Colchester, Braintree and Chelmsford SHMAs

- 4.57 As adjacent areas, the Colchester, Braintree and Chelmsford (CBC) SHMAs were all undertaken by Fordham Research during 2007. It is important to note that the structure of these reports follows the same CLG Guidance used to determine the structure of this report. As such, it is possible to compare many of the findings contained in all four reports, especially those sections relating to policy context, the definition of housing market areas, the current housing market, housing needs, specific household groups and policy implications. However, the main difference is that some sections of the CBC reports are based on primary data (i.e. data collected by the researcher) whilst this report is based exclusively on secondary data (i.e. data not collected by the researcher) and so some sections of the reports do differ.
- 4.58 The main findings relevant to this report were that Braintree and Colchester lie within the Greater Haven Gateway market area focussed upon Ipswich and Colchester. However all three lie on the boundary between the high pressured housing markets around London and the majority of the East of England where, as the RSS urges, the housing targets should be viewed as minimal.
- 4.59 The reports also note that in terms of commuting many people commute to London although there is a fairly weak commuter link between Colchester and Ipswich.
- 4.60 Unsurprisingly, given its closeness to the London housing market, the average house price between October and December 2006 in the SHMA area at £216,026 was above the England and Wales average of £207,573. House prices in Colchester were slightly lower at £200,792 (in comparison, the average house price for the Ipswich HMA during the same period was £288,348) (Land Registry, 2008).
- 4.61 Interestingly, similar to Ipswich, there was some agreement by agents in both Colchester and Chelmsford that local apartment markets had become saturated. They explained that one reason was because government guidance (PPG3, 2000) had encouraged higher densities. This had been to the neglect of family-sized properties. However, one agent in Colchester stated that the development of apartments satisfies a massive market demand. *“All first-time buyers would like to live in three-bed houses but it just isn’t going to happen. Apartments both satisfy the lower end of the market and the need for building at higher densities”.*

Rural East Anglia Partnership (REAP) SHMA

- 4.62 The REAP SHMA was undertaken during 2007 by Fordham Research on behalf of the Borough of King's Lynn and West Norfolk, Breckland Council and North Norfolk District Council.
- 4.63 The report confirms that the three council areas constitute a single housing market. Analysis of 2001 Census data on the flows of people into and out of the REAP area indicates that REAP is most inter-connected with Norwich and that there is a net outflow of people to the City. However, there was no evidence of strong connections between REAP and the study area.
- 4.64 House prices in the REAP area during April to June 2006 at £172,051 were below the national average of £199,184 and well below the Ipswich HMA study area average for the same period of £274,770 (Land Registry, 2008).

Greater Norwich SHMA

- 4.65 The Greater Norwich SHMA was undertaken in 2007 by the Greater Norwich Housing Partnership using an evidence base initially provided by Opinion Research.
- 4.66 Importantly, the report acknowledges that house prices in what it terms the Haven Gateway (part) area consisting of Ipswich, Mid Suffolk, St Edmundsbury and Suffolk Coastal tend to be higher in comparison to house prices in the Greater Norwich SHMA.

East of England Regional Economic Strategy

- 4.67 'A Shared Vision' (EERA 2004) sets out various future targets and visions (p 10). The key points are to:
- i) Build on the region's global leadership in science and technology, gateway roles and landscape and environment assets.
 - ii) Overcome barriers of lack of skills and human capital, enterprise and productivity and deprivation and exclusion.
 - iii) Complement and enhance (together with the neighbouring South East region) the position of London as a world city and to manage growth sensitively and effectively.

- 4.68 The report identifies the supply of homes, and affordable homes in particular, as a significant constraint on economic growth and competitiveness. Further, it argues that affordability has a significant economic impact affecting the recruitment and retention of workers in essential public services such as health and education and across the private sector. The lack of affordable housing can undermine the sustainability of communities, as people are forced to either travel longer distances to work or move to new areas, weakening local networks and social contacts.
- 4.69 However, it argues that the construction of new homes and buildings to high quality design and environmental standards, together with the scale of growth being planned for, is itself a significant job growth opportunity for the region although it is important to:
- Ensure sufficient high quality homes are developed in the right locations to support economic activity and regeneration
 - Promote public and private partnerships and mechanisms to provide land for housing development
 - Address affordable housing needs and the housing needs of migrant workers, refugees and other socially-excluded groups, through cross agency working.
 - Co-ordinate regional programmes to address skills gaps and shortages in the built environment professions, and develop skills to take advantage of the latest sustainable construction techniques
 - Develop demonstrator housing projects that deliver high density, resource efficient affordable homes and maximise the use of brownfield land opportunities¹⁴

Transport Policy

National Transport Policy

- 4.70 National, regional and County policies acknowledge the important relationship between transport and housing policy. More specifically, there is a need to consider the impact that the new housing planned between 2006-2021 may have on the County's transport infrastructure. A related issue is the desire by policy-makers to ensure that both housing and transport policies remain sustainable.

¹⁴ EERA, 2004: 49-50

- 4.71 Much current government transport policy has been influenced by the Eddington Report (2006) undertaken on behalf of the Department for Transport. In his report, Sir Rod Eddington acknowledged that parts of the UK transport system are under serious strain. It estimates that if left unchecked, the rising cost of congestion will waste an extra £22 billion worth of time in England alone by 2025. By then 13 per cent of traffic will be subject to stop-start travel conditions. Commuter rail lines are forecast to see further increases in overcrowding, and intercity rail services will see many trains at or beyond seating capacity on the approaches to cities.
- 4.72 In response, the Eddington Report argues that the strategic priorities for long-term transport policy should deal with the growing and congested urban areas and their catchments; and the key inter-urban corridors and the key international gateways that are showing signs of increasing congestion and unreliability. Government should focus on these areas because they are heavily used, of growing economic importance, and showing signs of congestion and unreliability – and these problems are set to get significantly worse. They are the places where transport constraints have significant potential to hold back economic growth.
- 4.73 Importantly, the report highlights the important role that regional and local bodies have in determining and implementing transport policy, and argues for building on existing local government responsibilities and the greater sub-national influence over funding decisions through Regional Funding Allocations (RFAs).

Regional Transport Policy

- 4.74 The Draft Regional Spatial Strategy (RSS) for the East of England 2006-2021 states that fundamental to the achievement of a more sustainable region is the need to ensure that in future the need to travel (particularly by car) is reduced by creative planning of new development. The land use strategy put forward in the RSS as a whole seeks to reduce dependence on car travel. It argues that the existing transport network and scope for service improvement has been an important factor in determining the spatial strategy. Furthermore within the Regional Transport Strategy (RTS), transport solutions which control the use of the car while improving scope for alternatives are accepted as the better way to meet demand in many circumstances (particularly in urban areas). The RTS policy is not therefore one of 'predict and provide'.
- 4.75 However, the RSS acknowledges that if transport infrastructure and the level of transport services are to enable the regional economy to flourish they must be planned to support the future development of the region. To serve these needs it is important to take into account the problems which currently exist as well as the locations where growth and regeneration are planned. Existing problems include the infrastructure deficit in many parts of the region and the paucity of east-west or orbital links. Easing movement on strategic routes to neighbouring regions and key international, national and regional facilities (including ports, airports and the Channel Tunnel) is an important part of this strategy. All these factors are reflected in the identified investment priorities.

- 4.76 Within the study area, Ipswich is recognised as a Regional Interchange Centre (RIC). The RSS states that within the RICs there is scope for significant new investment in public transport. Some proposals have already been identified and are included in the priority schemes (e.g. in Southend, Basildon, Norwich, Cambridge, Harlow, and Luton). However, it is envisaged that within the life of the RTS the other RICs will benefit from similar proposals. The development of public transport in the RICs should be accompanied by increasing levels of traffic restraint to improve urban environments, encourage cycling and walking and stabilise car traffic levels and car journeys into urban areas.
- 4.77 Further, the RSS argues that within the region's growth areas, there is a need for considerable transport improvement if the proposed growth is to be delivered. Growth is being located and designed to reduce the need to travel, but, given the existing infrastructure deficit, this will not obviate the need for additional infrastructure, improved public transport services and better management of demand. This will require some revenue funding (partly developer funding) to ensure bus and rail services are in place in advance of development. It will also require a significant increase in local transport investment. The development and delivery of the package of transport policies at the sub-regional level suggests the need for local authorities to work together to prepare common local transport plan (LTP) sections or even joint LTPs.
- 4.78 Finally, the RSS recognises that in the region's rural areas, transport is key to ensuring access to jobs and services and helping to sustain rural communities and their economies. Recognising the high level of dependency in rural areas on car use, local transport plans need to give adequate consideration to the role of local networks and the integration between these and the strategic network, in particular enabling transfer to public transport (e.g. through park and ride). The potential for demand responsive public transport services as well as scheduled services should continue to be supported along with supporting accessibility by enabling service provision in market towns.

County Transport Policy

- 4.79 The Suffolk provisional Local Transport Plan (LTP) sets out Suffolk County Council's proposed programme of transport improvements over the next five years from 2006 to 2011. Suffolk is a largely rural county, with its major towns situated around the periphery. However, the report acknowledges that the rural areas of Suffolk suffer from relatively poor access to facilities and services, with few (and reducing) privately operated bus services. At the same time, many of the market towns and villages suffer from high levels of through traffic, including heavy goods vehicles (HGVs). Maintenance of the County's extensive network of roads and pavements is a major challenge.

- 4.80 The report states that overall, Suffolk has relatively low levels of unemployment, but wages are also lower than the regional average and there is a low skills base. These factors, together with an ageing population, present particular problems in ensuring accessibility to facilities and services. Within the County, the major commuting movements are into Ipswich, between Lowestoft and Great Yarmouth, to and from Bury St Edmunds, and into the USAF bases in Forest Heath. To some extent, this view confirms the findings in Chapter 2 which highlight Ipswich as a major commuter destination. There is also an increasing number of movements from the west of the County, particularly Haverhill, into Cambridge and it is anticipated that these will grow due to the housing growth and employment opportunities in this part of the Cambridge sub-region.
- 4.81 The County Council's general key priorities are to significantly improve the condition of roads and pavements across the County, develop a modern, efficient and convenient passenger transport network and to achieve an ambitious Public Service Agreement (PSA) target to further reduce road casualties. More specifically, the objectives of the draft Suffolk Transport Strategy are to:
- Facilitate the sustainable growth of the Haven Gateway and Cambridge sub-regions and, in particular, Ipswich as a regional interchange centre and the sub-regional centre of Bury St Edmunds
 - Support the sustainable development of the ports of Felixstowe, Ipswich and Lowestoft in their roles as gateways to the rest of the country
 - Contribute to the regeneration of Great Yarmouth and Lowestoft sub-region and the broad sub-area
 - Help maintain viable communities in towns and villages throughout Suffolk that serve the needs of this largely rural County
- 4.82 The report acknowledges Ipswich as Suffolk's County town and the major nucleus for future growth in the County. It argues that Ipswich, together with Colchester in Essex, represents an important growth node within the Haven Gateway sub-region and has been designated a Regional Interchange Centre (RIC) within the Regional Spatial Strategy (RSS), with the expectation that there will be an improved range of rail and bus provision.
- 4.83 Recognising that Ipswich will be the focus of housing growth in the County over the next 15 years, the report argues that significant improvements to public transport will be required to avoid major congestion problems and to support its role as a Regional Interchange Centre (RIC) within the East of England. Ipswich, together with Colchester, is also a growth node within the Haven Gateway sub-region.

- 4.84 Over the next 15 years Ipswich will encounter major growth in development, seeing around 15,000 new homes built and 18,000 new jobs created by 2021. Proposed developments such as Ipswich Waterfront, the new University Campus Suffolk and Ipswich Village, will generate new and additional traffic movement, although much effort is being made to encourage the use of sustainable travel patterns. Traffic Modelling has predicted that future growth will result both in extending congestion to other circulatory routes and over longer periods over the day, which may result in deterioration in local air quality.
- 4.85 According to the report, public transport will continue to play an important role in helping to move people more sustainably into and around Ipswich. Current bus use in Ipswich compares favourably with similar towns nationally, and around 70% of the total number of journeys for the whole County start or finish in the town. Predicted delays may threaten the viability of some bus services.
- 4.86 The report acknowledges that growth within the Haven Gateway which is dominated by the ports of Felixstowe and Ipswich (together with Harwich in Essex) will place further stress on the County's transport infrastructure. However, the improvement of road and rail links will enable the ports to play a key role in the growth of the local, regional and national economy. Currently the A14 carries a significant amount of freight east-west across the County (the road is designated by the Highways Agency as having 'European Route Network' status. Also, the A12, an important arterial route which transects the study area from the south west to north east, is only partially double-carriaged, a characteristic which further exacerbates transport problems within the area
- 4.87 The proposed Felixstowe to Nuneaton rail line will be crucial to achieve the shift of freight movements from road to rail, and is one of the key priorities in the East of England Plan.
- 4.88 Finally, the report acknowledges the need to balance resolving the County's transport issues whilst maintaining the unique character of its rural areas. Car ownership in the rural parts of Suffolk is relatively high, with only 20% (27% nationally) of households having no access to a car. Accessibility to facilities and services is a key issue for rural residents, particularly for those who do not have a car. One issue in Suffolk is that a relatively small proportion of taxis and private hire vehicles which are wheelchair accessible. As such, the County Council aims to prioritise improvements to areas most severely affected by accessibility issues. They will be focusing resources on areas most affected by traffic congestion, whilst protecting the County's rural areas where traffic impacts upon people's quality of life and the natural and built environment.

Suffolk Community Strategy 2008-2028

4.89 The Suffolk Community Strategy identifies four key ambitions for the County:

- A prosperous and vibrant economy: which inspires people and communities to succeed
- Learning skills for the future: a high quality, education and training system across the whole County that will enable each person to achieve their potential and bring prosperity to them, their families and communities
- The greenest County: Suffolk wants to be an exemplar in tackling climate change and protecting and enhancing its natural and historic environment
- Safe, healthy and inclusive communities: Suffolk needs all people to be kept safe from harm, to be able to live healthy lifestyles and to be valued in the communities in which they live, work, grow up and grow old.

4.90 The Suffolk Strategic Partnership has identified four outcomes to support the four key priorities:

- i) Suffolk – the most innovative and diverse economy in the East of England
- ii) Suffolk – learning and skills in the top quartile in the country
- iii) Suffolk – the County with the greatest reduction in carbon emissions
- iv) Suffolk – a place where everyone is safe, healthy and included, no matter who they are or where in the County they live

4.91 The four outcomes provide the core of Suffolk's Sustainable Community Strategy, and taken together give a sense of where the County wants to be in twenty years time.

4.92 Importantly, the community strategy highlights the need to achieve a balance between maintaining the County's beautiful environmental heritage and strong sense of community with the need to respond to rapidly changing social and economic conditions.

4.93 Unsurprisingly, a lack of affordable housing is perceived as a threat to achieving sustainable communities throughout the County. In economic terms, the strategy recognises that without affordable housing Suffolk can not attract or retain a workforce to support the economy.

- 4.94 Public consultation through Suffolk Speaks Community Panel during 2004 found that 47% of people strongly agreed that the area needs more affordable housing; 45% strongly agreed that prices are too expensive for local people; and 55% strongly agreed that local young people could not afford housing. Appropriate accommodation for vulnerable people and specific groups was identified as an issue through consultation responses, particularly for migrant workers, young people, single parents, older people and Gypsies and Travellers.
- 4.95 The strategy also states that the consultation process highlighted the links between housing and the economy and the health and well-being of individuals. There are also strong links between poor housing and crime levels. Affordable housing will play a part in achieving other Community Strategy outcomes, particularly in relation to 'Safe, Healthy and Inclusive Communities'.
- 4.96 In response to the above community issues 52 Local Strategic Partnerships (LSPs) have been established in the East of England based largely on County, district and unitary boundaries. There is a network for all LSP members in the region including quarterly events for LSPs to share experiences and develop skills and understanding. Links to LSP websites and the Regional LSP Network are provided at the bottom of the page¹⁵.
- 4.97 There are seven LSPs in Suffolk: one County LSP and six local level LSPs. Unlike other areas in the region, two of these LSPs are not based on traditional administrative areas. These are 'Western Suffolk' (Forest Heath, St Edmundsbury and West Babergh) and 'Babergh East'. The LSPs work together, largely through the countywide Suffolk Strategic Partnership.
- 4.98 Through a myriad of policies, including those dealing with affordable housing but also related to health, education and the economy, the LSPs aim to ensure the development of sustainable communities and fostering of community cohesion throughout the County.

¹⁵ <http://www.onesuffolk.co.uk> & http://www.goeast.gov.uk/goeast/local_strategic_partnerships/?a=42496

Summary

- The East of England Plan makes provision for an average 23,900 homes per annum in the region over the period 2006 to 2021 including an annual provision of 2,050 properties in the study area. However, the Examination in Public (EiP) Panel Report suggests that these levels of newbuild may fall short of what is needed based on evidence concerning housing pressure, affordability and housing projections. As such, it recommends that these targets are regarded as minimums rather than ceilings.
- The Haven Gateway growth area will provide the opportunity for a significant increase in newbuild provision. Further, it recognises that the lack of affordable housing is a predominately rural issue.
- The East of England Plan recommends that, at the regional level, some 35% of housing is affordable although councils should aspire to attain around 40%. However, similar to the above, the EiP suggests that considering past levels of affordability and current backlogs it is unlikely that a 40% target will be met.
- The Regional Economic Strategy argues that affordability has a significant economic impact affecting the recruitment and retention of workers in essential public services such as health and education and across the private sector.
- Regional and local transport policies acknowledge the 'Regional Interchange Centre' status of Ipswich and seek to balance the need to improve accessibility within rural areas with sustainable transport policies.
- It is apparent that there is a close link between housing, employment and transport policies. Sustainable communities can only be achieved if future housing provision is balanced by appropriate employment growth. However, both objectives require good transport links to be provided throughout the study area including improved access to the A14 and A12.
- The Suffolk Community Strategy highlights the links between housing and the economy and the health and well-being of individuals. This indicates the need for a 'holistic' approach to housing policy which highlights the need for its integration with economic and health policies.

- Affordable housing targets are discussed further in Chapter 11, and by stakeholders in Appendix A2, with further discussion of housing and planning targets reviewed in the context of employment projections in Chapter 8.

5. Demographic and economic data

- The purpose of this chapter is to present and summarise the data describing the demographic and economic profile of the study area.
- It aims to describe the current housing market and some of the key factors affecting it and corresponds to steps 3.1.1, 3.1.2 and 3.1.3 of the CLG Strategic Housing Market Assessment Practice Guidance.

Stage 3.1 The demographic and economic context

Step 3.1.1: Demography and household types

Scale of each district, and self-containment

- 5.1 Please note that most tables within this report use households as the main unit of measurement. Where tables refer to units other than households e.g. Table 5.1 and Figure 5.1 below refer to numbers of people – then this is clearly stated.
- 5.2 As an initial step the following table shows the household size and migration into each district of the study area in the year preceding the 2001 Census:

Table 5.1 Population and in-migration in the study area			
District	Proportion of households	Net in-migration 2001 (persons)	Percent of moves that were within the district
Ipswich	29%	32%	55%
Babergh	20%	19%	46%
Mid Suffolk	21%	21%	44%
Suffolk Coastal	29%	28%	51%
Study area	178,000	4,593	Na

Source: Ipswich SHMA Fordham Research 2008

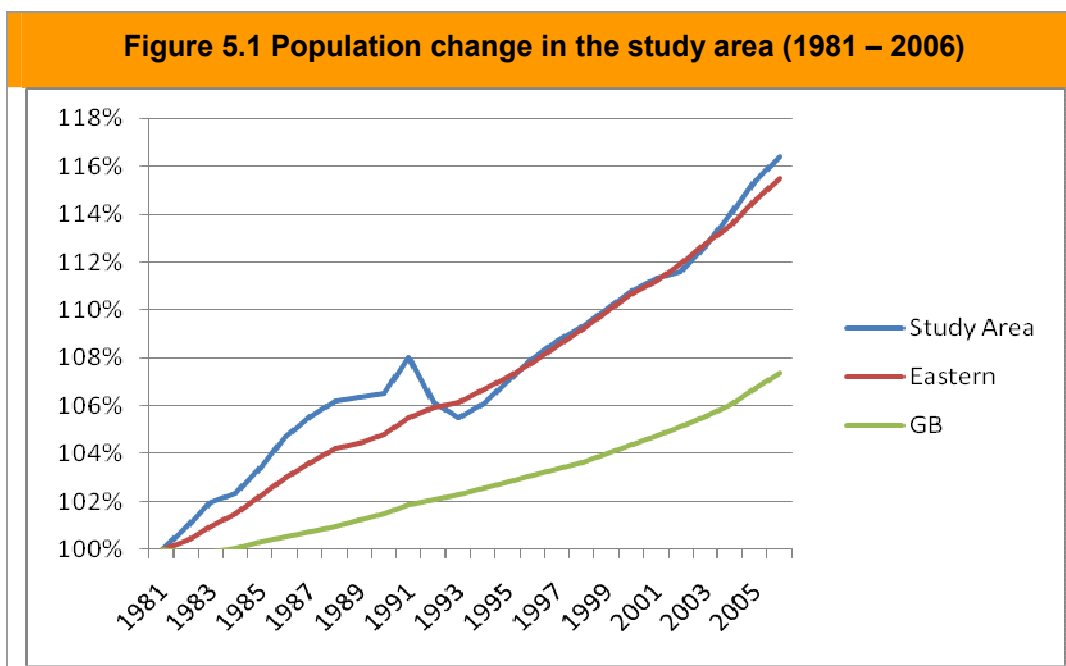
- 5.3 The table above gives an impression of the scale (number of households) of each district and its 'openness' as shown by the net in-migration of people in the year before the 2001 Census. The gross figure i.e. the total number of people moving into and within the study area was 43,000 people although the net total i.e. the population gain for the year preceding the 2001 Census was only 4,593 persons.

5.4 As can be seen from the table above, Ipswich is the district that has a higher proportion of moves into it than the more rural councils around it. Although it is not much bigger than the other council areas, it also shows more self-containment of moves. This may well be related to the relatively low incomes in the town, as the distance of moves is often quite closely related to income and other social characteristics of the households involved.

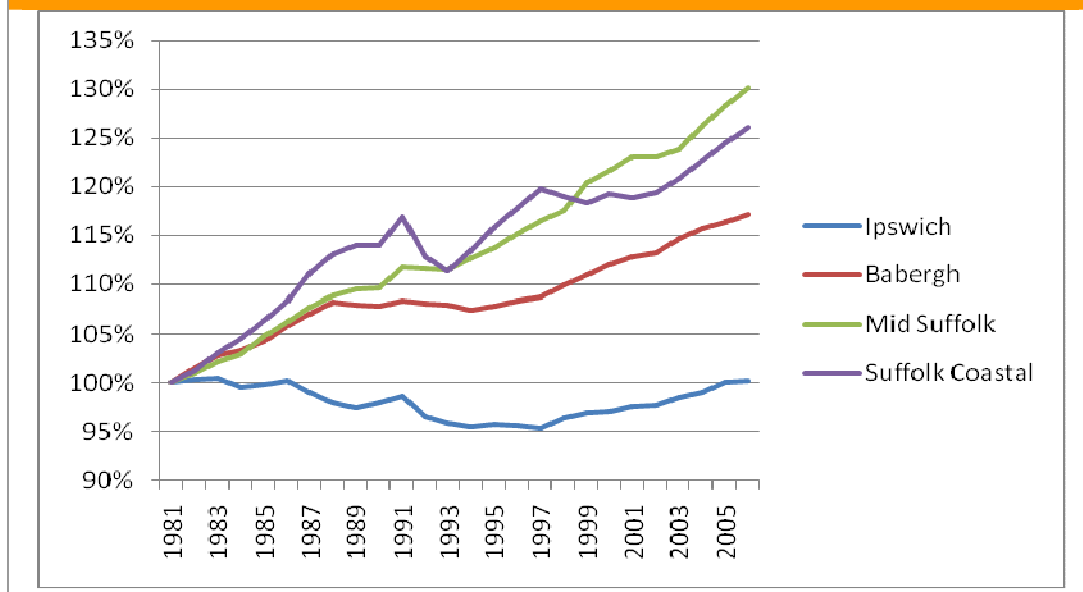
Population – historical change

5.5 Since 1981, apart from a slight decline between 1991 and 1993, the population of the study area has grown steadily. Data from the NOMIS website (drawn from ONS mid year population projections) shows that the estimated population of the study area as 363,681 in 1981, by 2006 this had reached 423,306 – an increase over the period of more than 16%. This level of population growth is more than double the national level and slightly higher than that found across the region.

5.6 Looking at the individual districts in the study area, the data shows the most significant population rise to be in Mid Suffolk (30.1%), whilst Ipswich only recovered its 1981 population in 2006. Ipswich’s depopulation between 1981 and 1997 and repopulation since 1997 has occurred gradually and it is therefore not likely that such changes are the consequence of electoral boundary changes during the period 1981 - 2006.

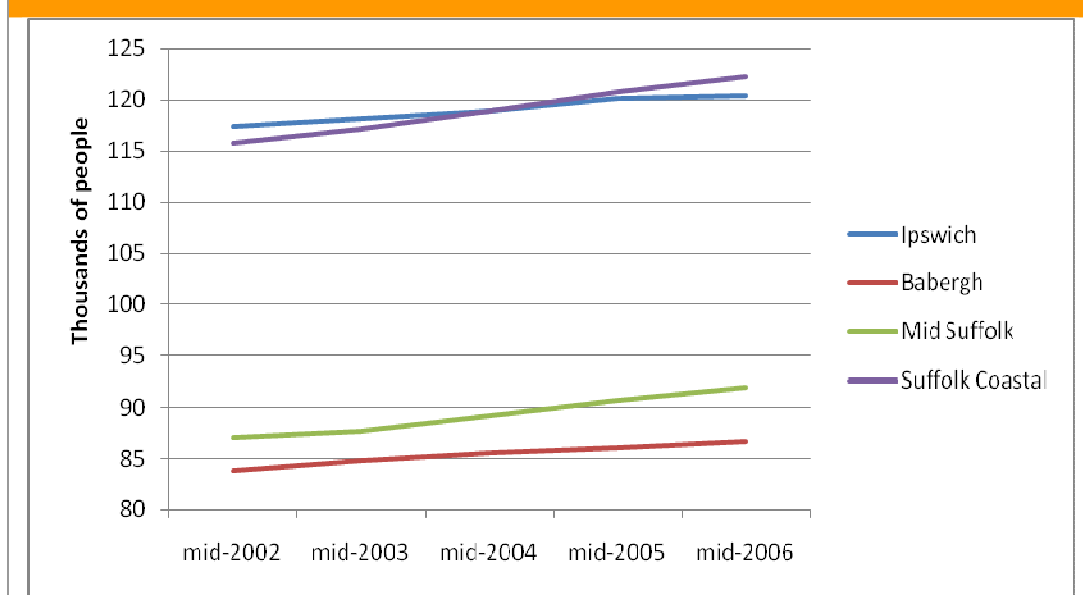


Source: ONS, 2001

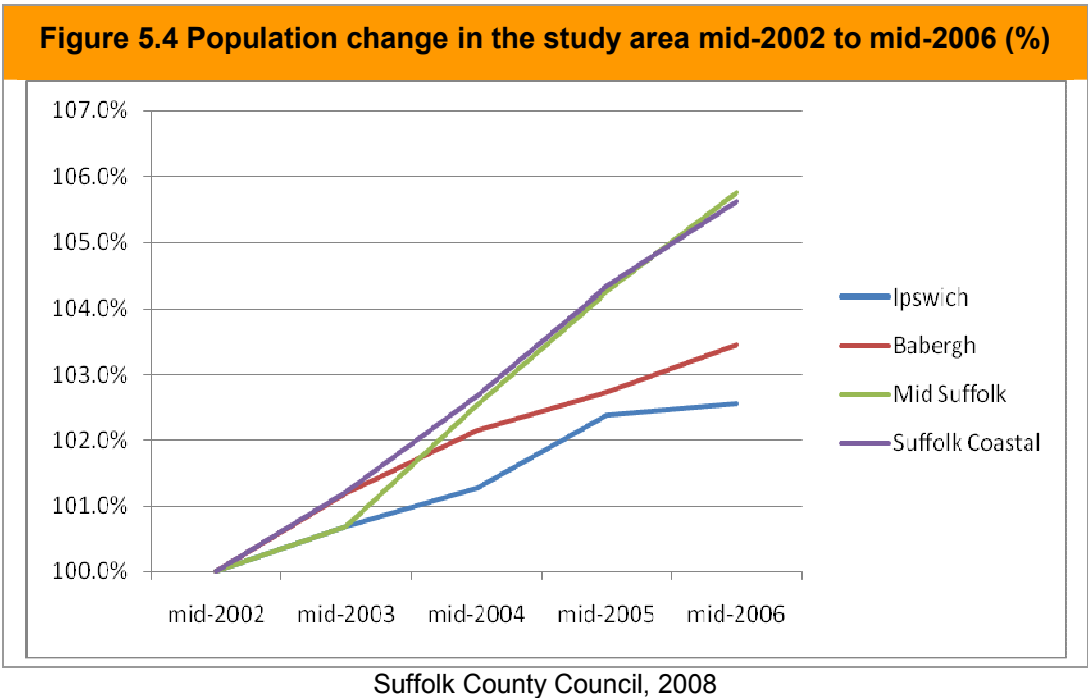
Figure 5.2 Population change in the study area (1981 – 2006)

Source: ONS, 2001

- 5.7 Suffolk County Council has recently published more accurate population estimates for the period mid-2002 to mid-2006 that take into account in- and out- migration. Based on Office for National Statistics (ONS) data, these figures suggest that although all four councils experienced a fairly similar population increase between mid-2002 and mid-2006, Suffolk Coastal's population increased at a slightly faster rate compared with Ipswich leading it to become the council with the largest estimated population of 122,200 people by mid-2006. This trend is clearly evident in Figure 5.4 which shows how the study area population increased between mid-2002 and mid-2006 in percentage terms.

Figure 5.3 Population change in the study area mid-2002 to mid-2006 (000s)

Source: Suffolk County Council, 2008



Study area ethnicity profile

5.8 The tables and figure below show the ethnic breakdown of residents in the HMA. When compared with the regional breakdown the study area has a relatively small BME population. Ipswich has the largest BME population and Mid Suffolk the smallest.

Table 5.2 Ethnic profile of household residents in 2001 (%)

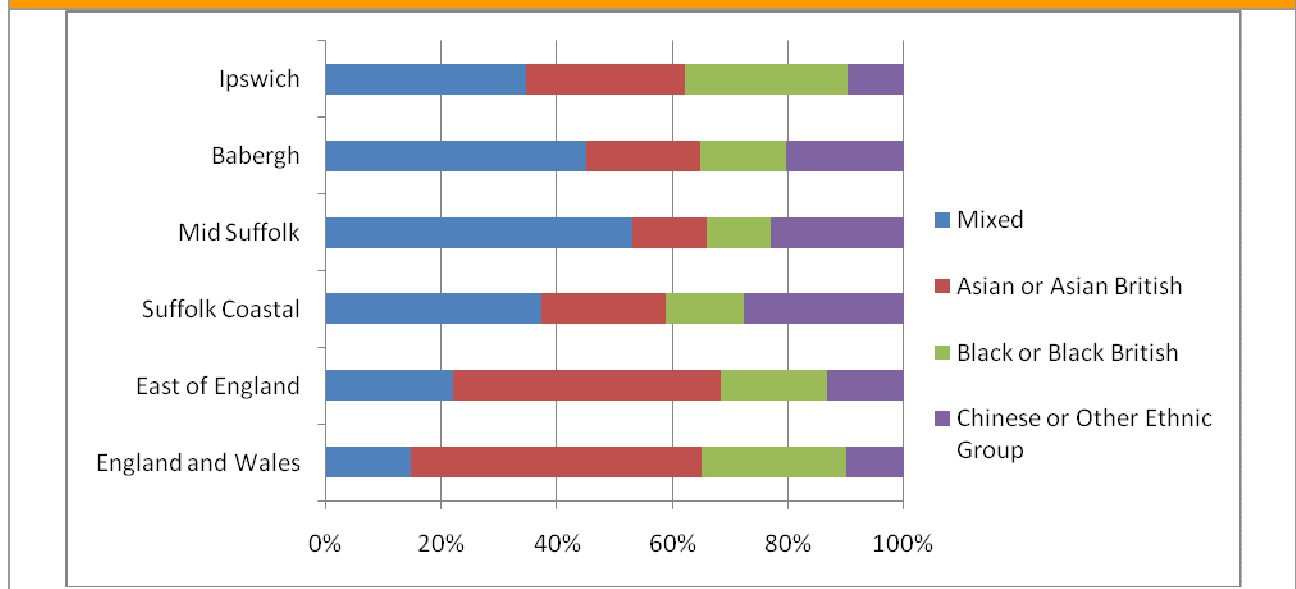
Ethnicity	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Eastern	England & Wales
White (British/Irish)	91.4%	97.4%	97.7%	96.4%	92.60%	88.30%
White Other	2.0%	1.3%	1.3%	1.8%	2.50%	2.70%
Mixed	2.3%	0.6%	0.5%	0.7%	1.10%	1.30%
Asian	1.8%	0.3%	0.1%	0.4%	2.30%	4.60%
Black or Black British	1.8%	0.2%	0.1%	0.2%	0.90%	2.30%
Chinese or Other	0.6%	0.3%	0.2%	0.5%	0.60%	0.90%
BME Total (%)	8.50%	2.70%	2.20%	3.60%	7.40%	11.80%
TOTAL (%)	100.0%	100.0%	100.0%	100.0%	100.00%	100.10%

Source: Census 2001

Table 5.3 Ethnic profile of household residents in 2001 (no.)

Ethnicity	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Eastern	England & Wales
White (British/Irish)	107,015	81,280	84,858	110,944	4,988,551	46,175,545
White Other	2,366	1,109	1,119	2,065	136,452	1,345,321
Mixed	2,658	482	455	792	57,984	661,034
Asian	2,113	212	112	461	121,752	2,273,737
Black or Black British	2,159	159	94	287	48,464	1,139,577
Chinese or Other	758	219	199	592	34,937	446,702
TOTAL (no.)	117,069	83,461	86,837	115,141	5,388,140	52,041,916

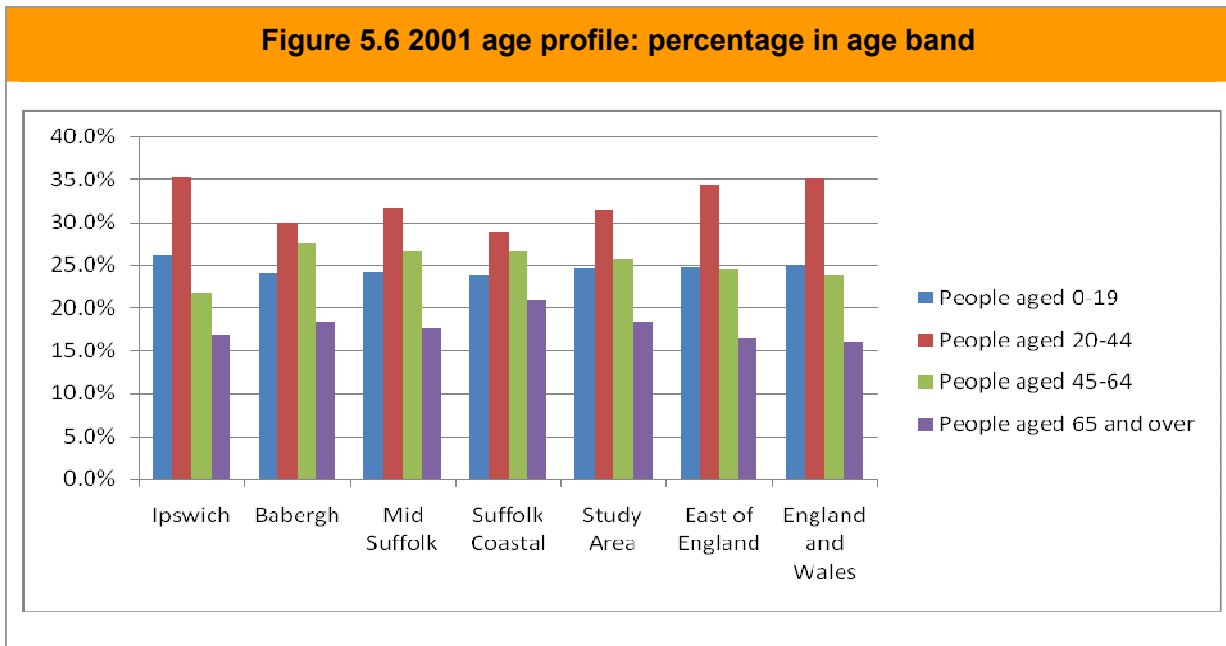
Source: Census 2001

Figure 5.5 BME populations

Source: Census 2001

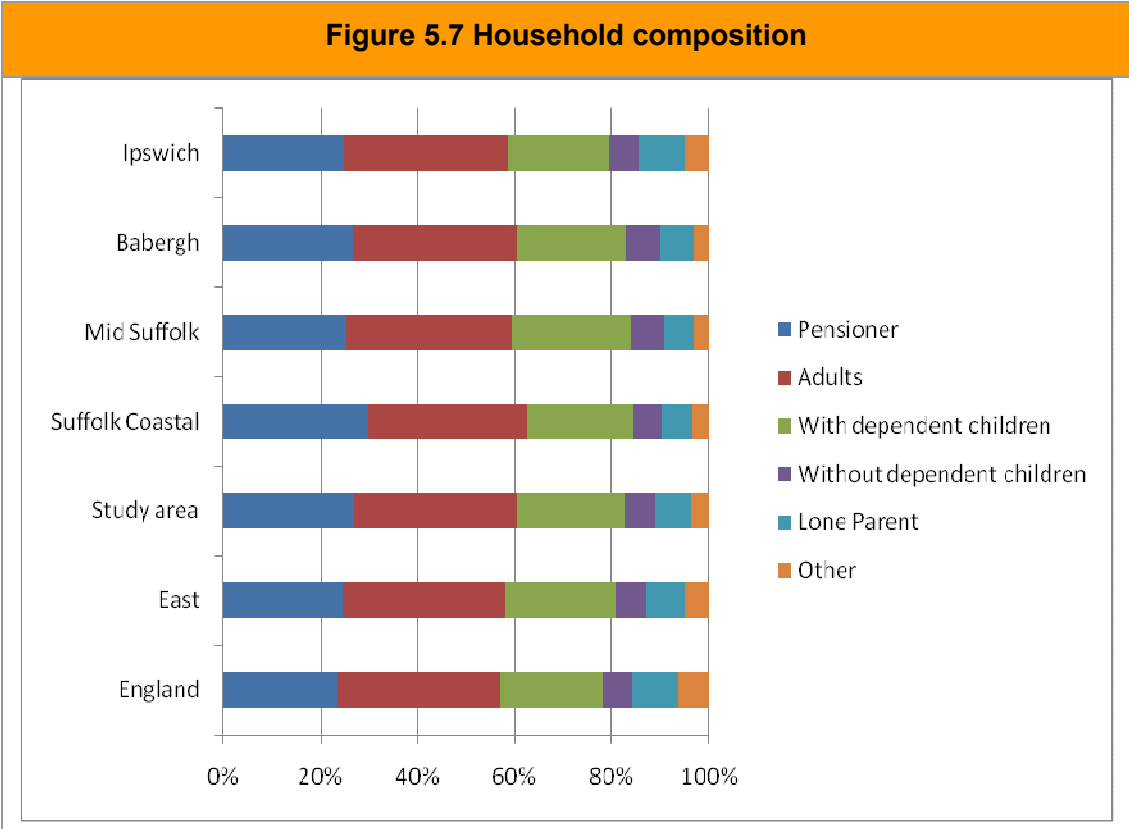
Study area age profile

- 5.9 It can be seen from the chart below that compared with regional and national profiles the study area has a slightly lower proportion of the population aged within the youngest age band (0-19) and a slightly higher proportion of people aged 65 and over.
- 5.10 Within the study area Ipswich stands out as having a slightly younger population with Suffolk Coastal having a slightly older than average population.

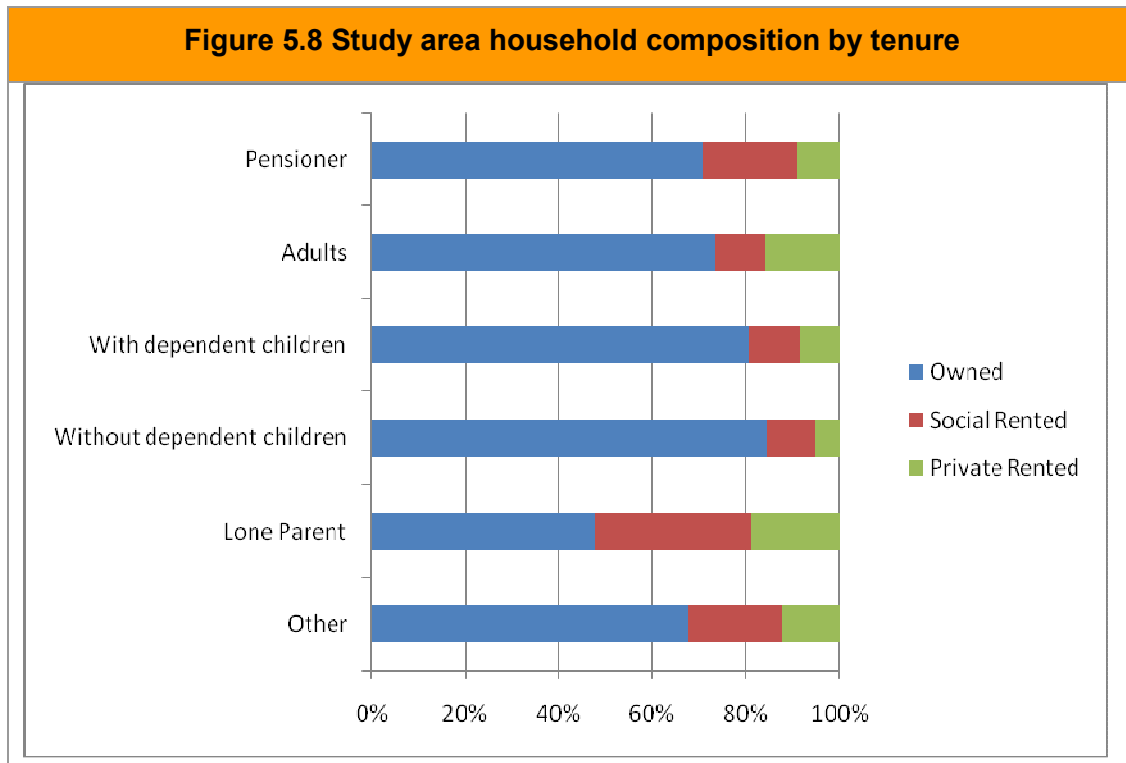


Household structure

5.11 Adults without dependent children are particularly likely to be in the study area, although lone parents are not as commonly found in the study area when compared with regional and national profiles. Within the study area, Suffolk Coastal has a particularly high proportion of pensioner households. Ipswich has a particularly high proportion of lone parent households.



5.12 The figure below shows how tenure varies by household type. Lone parent households are the least likely to be in owner-occupied housing, but have the highest proportion of households in social rented accommodation. Pensioner households are also particularly likely to be in social rented accommodation. ‘Other’ households (all households in the area at the time of the 2001 Census, other than 'one family and no others' households, that have no dependent children, and are not all student or all pensioners (Census 2001, ONS)) and adults without children are particularly likely to be in private rented accommodation.



- 5.13 The table below shows household type by tenure and occupation level. This is particularly useful to assess which households are in overcrowded properties but also which households are under-occupying their property.
- 5.14 It is clear from the table below that there is some scope to reduce under-occupation. Although under-occupation is most prevalent in the owner-occupied sector, there are also relatively high proportions of under-occupation in the social rented sector.

Table 5.4 Household type by tenure and occupation level

	Owned		Social rented		Private rented		Total (excluding households neither overcrowded or under-occupying)
	Under-occupied	Overcrowded	Under-occupied	Overcrowded	Under-occupied	Overcrowded	
Pensioner	28,997	259	4,105	868	1,973	146	41,700
Adults	44,060	909	2,877	686	5,698	1,082	62,069
With dependent children	35,852	1,824	1,783	1,206	2,638	372	51,462
With non-dependent children	10,301	240	728	97	404	26	13,266
Lone parent	5,846	278	1,563	649	613	149	13,184
Other	3,129	266	275	130	726	286	6,402
Pensioner	69.5%	0.6%	9.8%	2.1%	4.7%	0.4%	87.2%
Adults	71.0%	1.5%	4.6%	1.1%	9.2%	1.7%	89.1%
With dependent children	69.7%	3.5%	3.5%	2.3%	5.1%	0.7%	84.9%
With non-dependent children	77.6%	1.8%	5.5%	0.7%	3.0%	0.2%	88.9%
Lone parent	44.3%	2.1%	11.9%	4.9%	4.6%	1.1%	69.0%
Other	48.9%	4.2%	4.3%	2.0%	11.3%	4.5%	75.2%

Source: Census 2001

Housing types

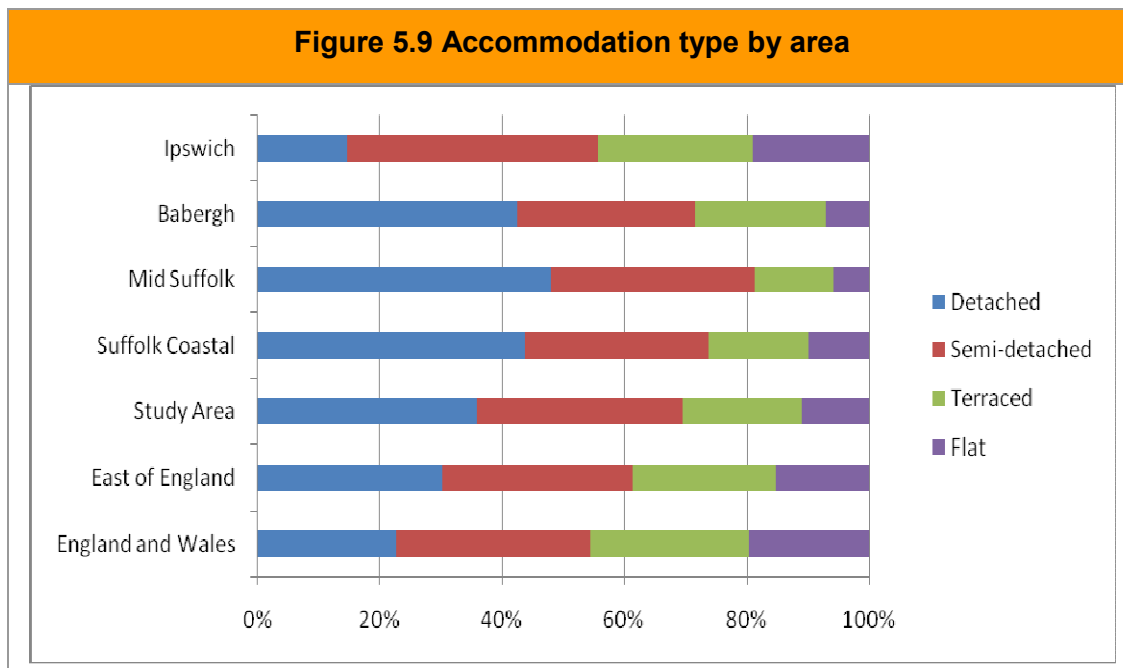
5.15 The table and figure below show the accommodation type breakdown in the HMA. When compared with regional and national proportions the study area has a high proportion of detached and semi-detached properties.

5.16 Within the study area Mid Suffolk and Suffolk Coastal have the highest proportions of detached properties, with Ipswich the highest proportion of terraced properties.

Table 5.5 Accommodation type (households)

	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study Area	Eastern England	England & Wales
Detached	7,566	15,309	17,611	23,067	63,553	697,584	5,131,821
Semi-detached	21,301	10,539	12,296	15,823	59,959	721,543	7,117,662
Terraced	13,173	7,743	4,795	8,629	34,340	543,305	5,869,878
Flat	9,884	2,479	2,061	5,178	19,602	349,557	4,419,280
Total	51,924	36,070	36,763	52,697	177,454	2,311,989	22,538,641

Source: Census 2001



5.17 The data and the qualitative information closely correlate. The dwelling types in Ipswich differ considerably from the other districts and contain a much lower proportion of detached homes. The data is too old to reflect the impact of the scale of the apartment market in Ipswich.

Changes in tenure and household composition 1991-2001

5.18 The following tables show the change in household composition by tenure between 1991 and 2001. The data is from the 2001 Census although tabulated by NOMIS. The data from the 1991 Census and the 2001 Census is tabulated in different ways by NOMIS and not all the categories correspond. We have therefore taken a best fit for the categories used in the different tables and some caution must be taken when viewing this information. It is sensible to view the percentage increases across the household groups.

5.19 The proportion of single people in social rented accommodation has increased quite significantly as has the proportion of pensioners. Conversely, since 1991, the proportion of adults with no children living in social rented accommodation has decreased.

Table 5.6 Changes in tenure and household composition 1991-2001 in the study area

1991				
Household type	Owner-occupied	Social rented	Private rented	Total
Single pensioner	13,500	2,290	7,796	23,586
Single adult no dependent children	9,315	3,327	2,445	15,087
2 or more adults no dependent children	51,818	6,708	10,045	68,571
2 or more adults with dependent children	30,772	4,565	5,209	40,546
Lone parent with dependent children	1,843	687	1,981	4,511
Total	107,248	17,577	27,476	152,301
2001				
Household type	Owner-occupied	Social rented	Private rented	Total
Single pensioner	16,043	3,021	6,734	25,798
Single adult no dependent children	18,790	6,949	5,386	31,125
2 or more adults no dependent children (including pensioner)	53,303	5,282	5,760	64,345
2 or more adults with dependent children	31,633	3,470	4,556	39,659
Lone parent with dependent children	3,133	1,961	3,135	8,229
Total (excluding other)	122,902	20,683	25,571	169,156

Source: Census 1991 and 2001 (data taken from NOMIS)

Table 5.7 Percentage change 1991-2001 in tenure and household composition in the study area

	Owner-occupied	Social rented	Private rented	Total
Single pensioner	18.8%	31.9%	-13.6%	9.4%
Single adult no dependent children	70.2%	158.2%	37.7%	68.0%
2 or more adults no dependent children	11.0%	-62.3%	-55.0%	-17.9%
2 or more adults with dependent children	6.4%	-47.8%	-8.4%	-3.8%
Lone parent with dependent children	9.6%	55.6%	14.8%	15.8%
Total	116.0%	135.6%	-24.4%	71.5%

Source: Census 1991 and 2001

Social trends

5.20 Life-style choices are important determinants of household formation. The increase in single person households is, in many cases, a lifestyle choice and creates a demand for even more houses and flats. Another key driver that is often cited for an increase in housing demand is the increased number of couples that have separated and families that have broken up. This will create a demand for an additional property, and in many cases it will be a larger property as both parties would require accommodation suitable for any children there might be to come and stay.

- 5.21 Data from the 2001 Census shows that 8.0% of people aged 16 and over living in the study area were divorced or had separated from their partner. This is lower than the equivalent figure for Eastern England and for England & Wales which are 8.3% and 8.5% respectively.
- 5.22 39.8% of the population of the study area (18-64) is living in single adult households. Again, this is lower than the equivalent figures for Eastern England (41.8%) and England & Wales (44.2%).

Step 3.1.2: National and regional economic policy

- 5.23 Historically, there has been a direct link between interest rates and house price growth. The very high interest rates of the early 1990s led to many home owners falling into negative equity i.e. the value of their home was less than the value of their mortgage commitment.
- 5.24 When the interest rate started to fall during the early 2000s, house prices increased significantly (see Chapter 7 for detailed house price data). When the interest rate increased between 2004 and 2005, house price growth also slowed.
- 5.25 By Spring 2008 there are a number of economic factors such as the increasing difficulty of consumers to obtain credit to purchase properties (the 'credit crunch'), and a general acceptance that national economic growth will slow suggesting that, at least in the short-term, house price inflation will be lower than during the past five or ten years. According to the Nationwide Building Society, house prices fell by 0.6% during March 2008, cutting the annual rate of increase to its lowest rate since March 1996 at 1.1%.
- 5.26 These trends are to some extent reflected by the Halifax's regional house price index for January to March 2008 which suggests that house prices in East Anglia (i.e. the precursor of the East of England region) increased by only 1.4%, although this was higher than a national UK average of 1.0% decrease in house prices. Similarly, the annual rate of house price inflation in East Anglia is 3.4% - well above the UK average increase of 1.1%. Additionally, it notes that East Anglia has seen higher house price growth than the UK over the past ten years. Since the first quarter of 1998, house prices in the region have risen by 196%, compared with the UK average of 176%. Only Northern Ireland saw house prices grow stronger than East Anglia in the last ten years.

- 5.27 In a local context (as reported in Appendix 2), the credit crunch may impact on land supplies over the next five years. One developer stated that the effect of this will be 'devastating' unless institutions respond immediately. They argued that the impact of the credit crunch in 2009 will be worse than in 2008 as builders have already forward sold for 2008. As such, this will impact heavily on the five-year supply, with little or no supply coming through whilst problems resulting from changes in land value will impact on land coming through. They further stated that some small, niche builders in the study area had already gone bust. At the time of writing (May 2008) there is evidence that the 'credit crunch' has already begun to impact on mortgages as, according to the Bank of England, 64,000 loans were approved for purchases during the month, down from 72,000 in February and the lowest number since comparable records began in 1993. Re-mortgaging activity also dropped off, with the number of loans approved falling from 109,000 in February to 98,000 in March. The value of home loans taken out for other purposes, including equity release and buy-to-let, fell by almost 10% from 63,000 in February to 57,000 in March.
- 5.28 In total, mortgages worth £24 billion were approved during the month, down on the previous six-month average of £27 billion. New mortgage lending was also down over the month, falling to £6.9 billion - its lowest level in three years and markedly below the £8 billion average for the previous six months. Further, the total number of mortgage products available in the UK market in the week beginning 15 April 2008 totalled 6,526, compared with 27,159 in April 2007. Although it is difficult to determine the extent to which these trends may impact on housing markets within the study area, it is highly likely that the 'credit crunch' and reduction in mortgage products will negatively impact on house prices.
- 5.29 Although no local figures are available, the latest national figures¹⁶ suggest that since 2005/06 the number of claims issued against mortgage defaulters has increased significantly although the number of actual repossessions has increased more slowly. Certainly, there is yet no evidence that housing repossessions have reached the crisis levels experienced in the early 1990s.
- 5.30 During the first quarter of 2008:
- 38,688 mortgage possession claims were issued on a seasonally adjusted basis, 16% higher than in the first quarter of 2007 and 7% higher than in the fourth quarter of 2007
 - 27,530 mortgage possession orders were made on a seasonally adjusted basis, 17% higher than in the first quarter of 2007 and 9% higher than in the fourth quarter of 2007
 - 47% of mortgage possession orders were suspended compared to 47% in the first quarter of 2007 and 46% in the fourth quarter of 2007

¹⁶ Ministry of Justice Statistics bulletin, 9 May 2008

5.31 Housing repossessions for non-payment of rent in the private sector has increased at a much lower rate compared with repossessions due to mortgage default. During the first quarter of 2008:

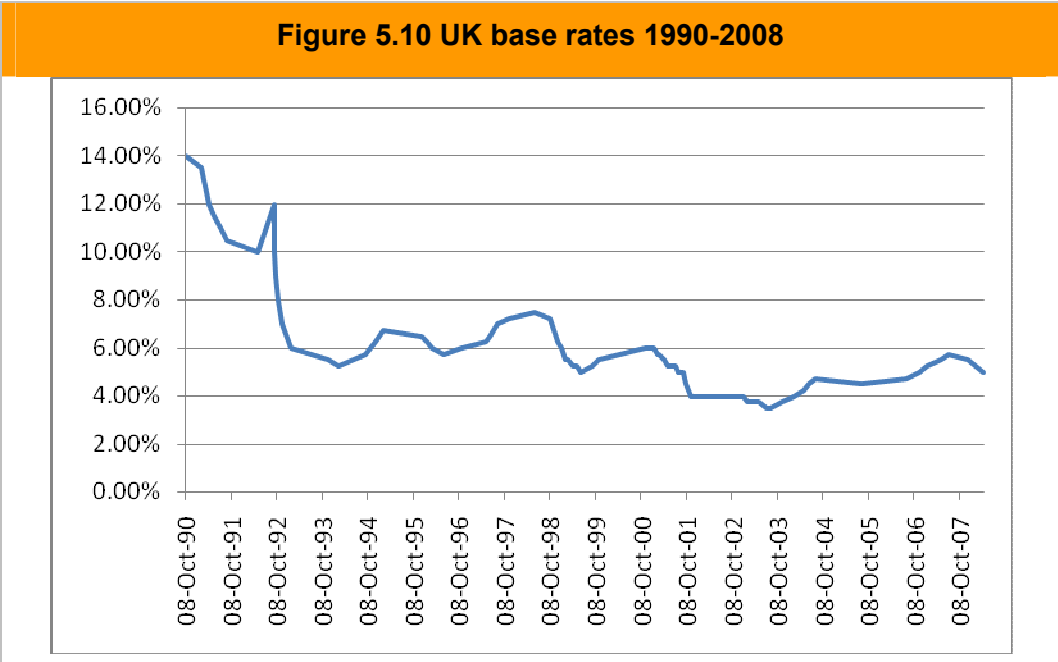
- 37,221 landlord possession claims were issued using the standard and accelerated possession procedures on a seasonally adjusted basis, 4% higher than in the first quarter of 2007 and the same as the fourth quarter of 2007.
- 28,503 landlord possession orders were made through the standard and accelerated possession procedures on a seasonally adjusted basis, 10% higher than in the first quarter of 2007 and 2% higher than in the fourth quarter of 2007.
- 41% of landlord possession orders made through the standard and accelerated possession procedures were suspended compared to 42% in the first quarter of 2007 and 41% in the fourth quarter of 2007.

5.32 One reason for the difference between the rate of housing repossessions due to mortgage and rent defaults may be that rents have tended to increase at around the rate of the retail price index, whilst house prices over the last ten years have increased at a much higher rate (see Chapter 7 for a more detailed discussion of housing affordability).

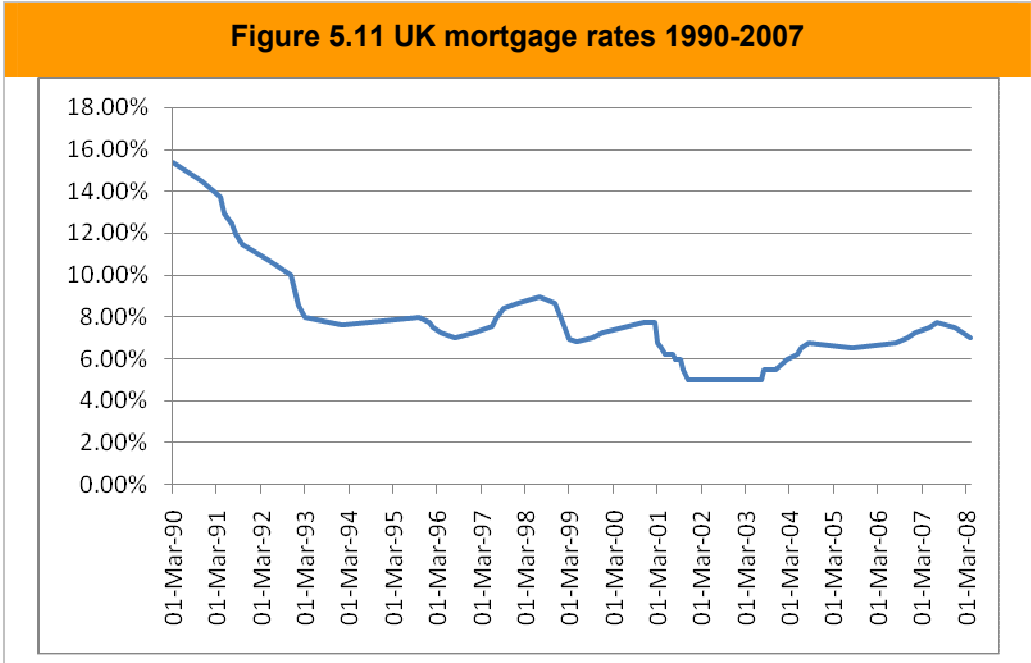
5.33 Although the above discussion reflects the national picture regarding house repossessions, it is likely that to some extent that local trends may begin to follow national trends. Also, whether the current credit crunch is a short or a long-term issue remains to be seen. However, stakeholders considered that there was a significant impact on the parts of the market exacerbated by the over-supply of newbuild apartments:

- Developers offering up to £20k worth of incentives on selected apartments
- Developers offering shared ownership terms
- Agents reporting low volume of sales especially for entry level property for sale
- Unabated demand for private rented housing

Interest and base rates



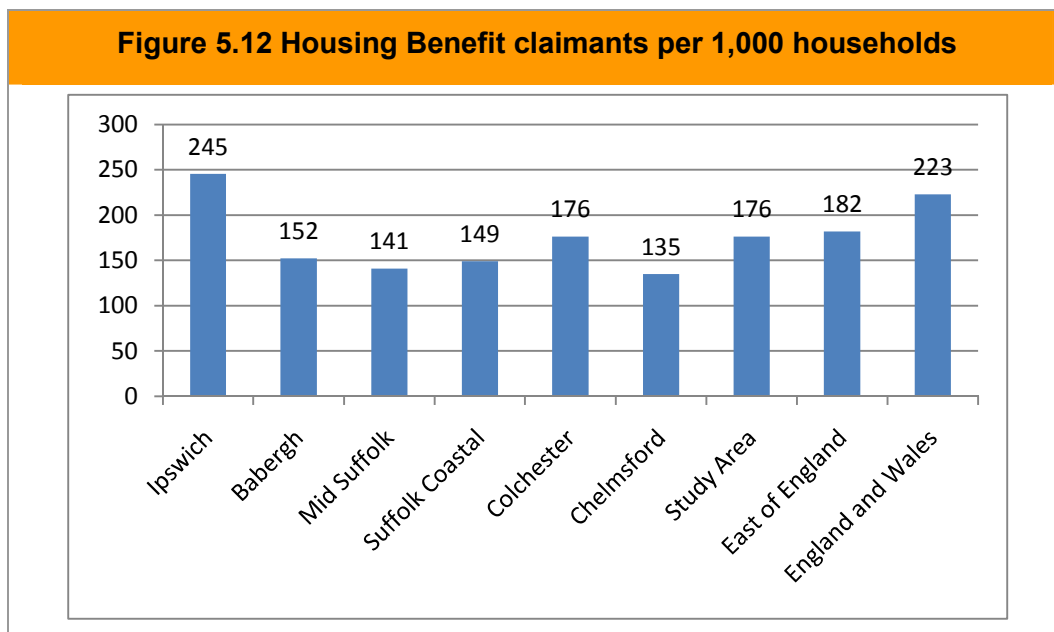
Source: Bank of England, 2008



Source: Bank of England, 2008

Levels of Housing Benefit

5.34 Levels of Housing Benefit applications may be used as a proxy measure for the level of economic deprivation within an area (although it must be noted that the number of initial applications will differ from the number of successful applications). As can be seen from below, Housing Benefit applications in relative terms (per 1,000 households) were lower in the study area than the equivalent for the East of England. However, Ipswich has a higher than regional or national average of Housing Benefit claimants per 1,000 households. For comparison, Housing Benefit rates for Colchester and Chelmsford are shown. Colchester's rates are identical to the study area average at 176 Housing Benefit applications per 1000 households, whilst Chelmsford's are much lower at 135 Housing Benefit applications per 1000 households.



Source: ONS (Housing Benefit 2005)

Step 3.1.3: Employment levels and structure

5.35 Economic activity levels among local residents have been higher than the national average, fluctuating between around 81% and 85% between 2000 and 2007, indicating a healthy labour market where a large proportion of people are available to work in the local economy.

5.36 This is certainly borne out by stakeholders and our visits to the study area. The economy has all of the usual retail and service sector job opportunities. However, the study area and Ipswich has a large public sector and health sector and is home to several large blue chip companies such as Norwich Union and BT.

5.37 The overall employment numbers for the study area are as shown below. When compared with Table 5.1 (total households) it can be seen that the proportion of workers in all four study area districts is the same as the proportion of households in each district.

Table 5.8 Number of full-time and part-time employees 2006-2007						
	All workers		Full-time		Part-time	
	no.	%	no.	%	no.	%
Ipswich	57,100	29.80%	39,300	68.8%	17,800	31.2%
Babergh	40,500	21.10%	29,000	71.6%	11,500	28.4%
Mid Suffolk	40,300	21.00%	27,700	68.7%	12,600	31.3%
Suffolk Coastal	53,700	28.00%	39,000	72.6%	14,700	27.4%
Study Area	191,600	100.00%	135,000	70.5%	56,600	29.5%

Source: NOMIS, 2008

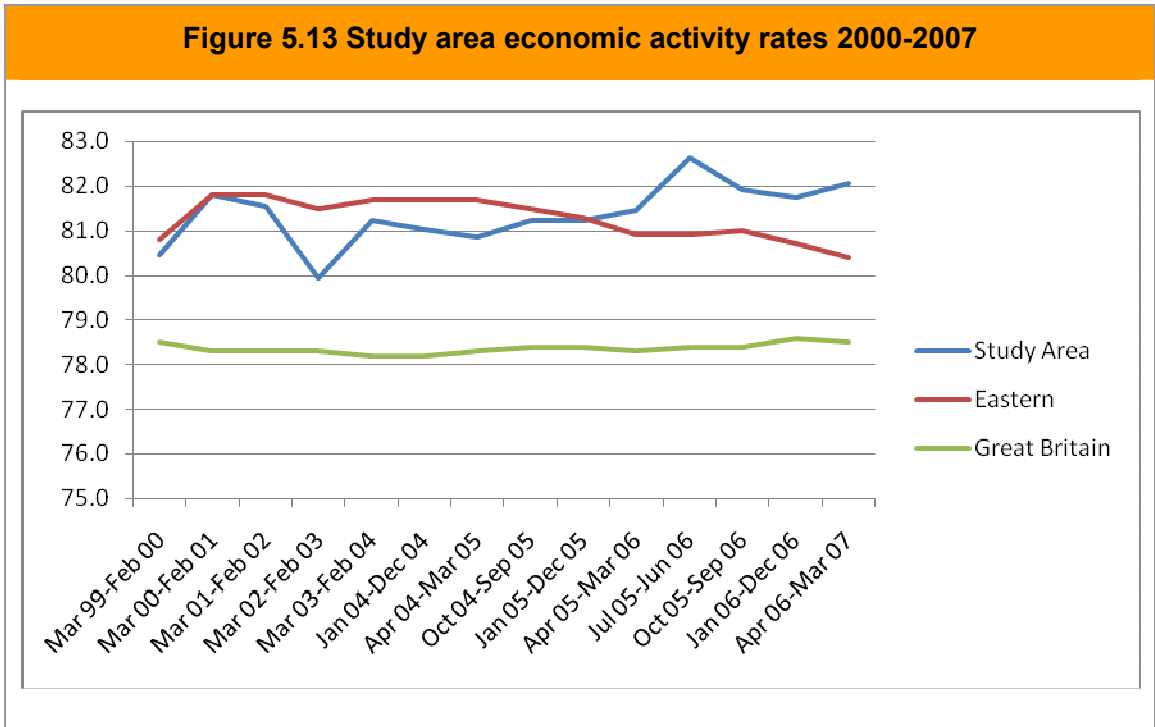
5.38 That is a different issue to the total number of jobs: as the commuting figures below will show, the majority of the jobs are in Ipswich, to which workers from the other three districts travel. However, it is important to note that both Martlesham Heath (where BT's Research and Development Centre is located) and the port of Felixstowe are both major attractors of commuters.

5.39 The following table provides an estimate of the overall total number of jobs, and from this it can be seen that Ipswich dominates the area from that perspective: it has only 29% of the households and around 37% of the jobs.

Table 5.9 Approximate total of jobs 2006-2007		
	no.	%
Ipswich	65,888	36.5%
Babergh	32,233	17.8%
Mid Suffolk	34,465	19.1%
Suffolk Coastal	48,005	26.6%
Total	180,591	100.0%

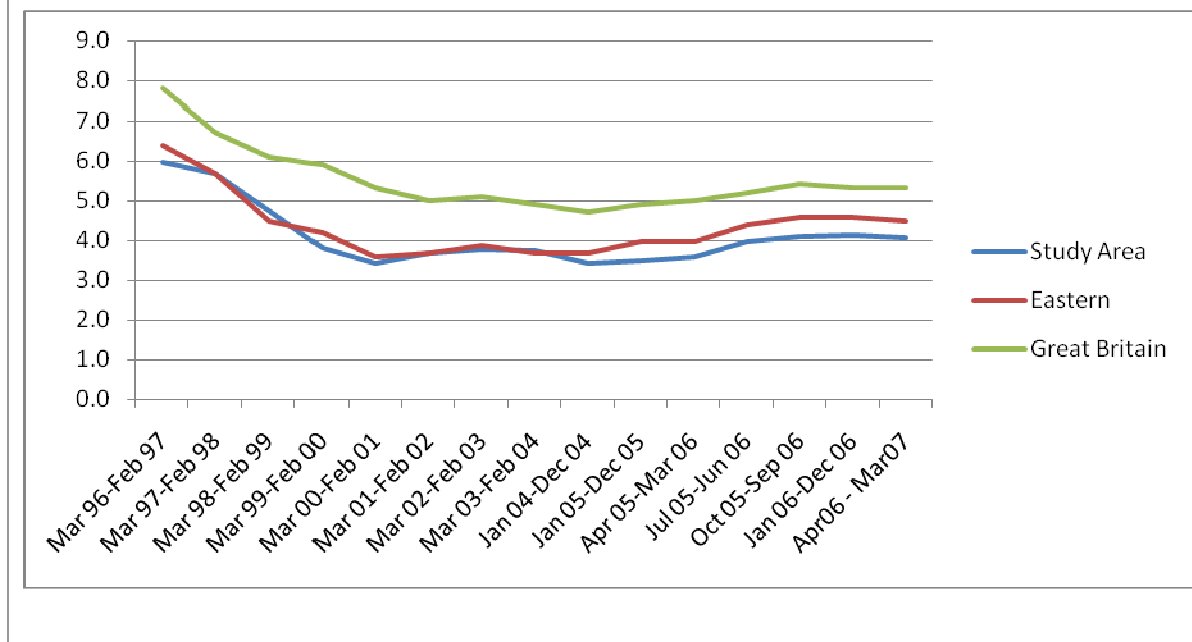
Source: NOMIS, 2008. The figures are calculated by adding the number of people living and working in the area to the number of people commuting into the area. This provides a broad guide to the total number of jobs in each district. The total does not agree with that in the previous table, and the previous table should be taken as more accurate for overall job numbers. Part of the reason for the disagreement may be job vacancies.

5.40 The graph below shows that employment in the area has been more volatile compared with either national or regional trends.



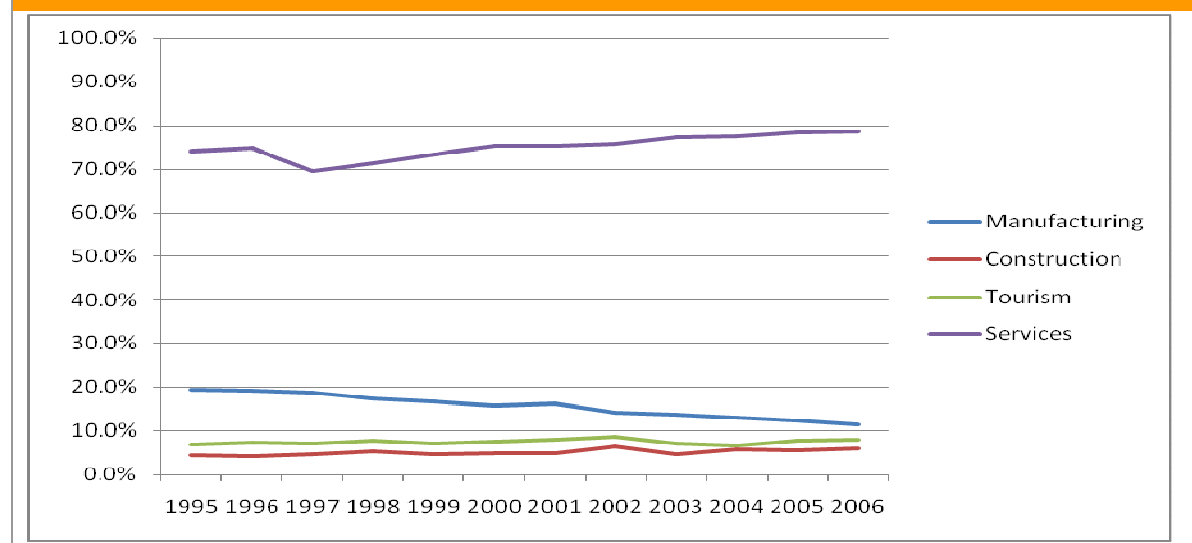
Source: NOMIS, 2006 (ONS annual population survey)

5.41 Unemployment levels in the study area have been consistently around or below regional unemployment rates for the last six years (although unemployment rates in Ipswich during the same period have consistently been 1% to 2% above the regional average). February 1999 saw unemployment rates in the study area higher than the equivalent regional average although in more recent years this has dropped to below both the regional and national levels.

Figure 5.14 Study area unemployment rates

Source: NOMIS, 2006 (ONS annual population survey)

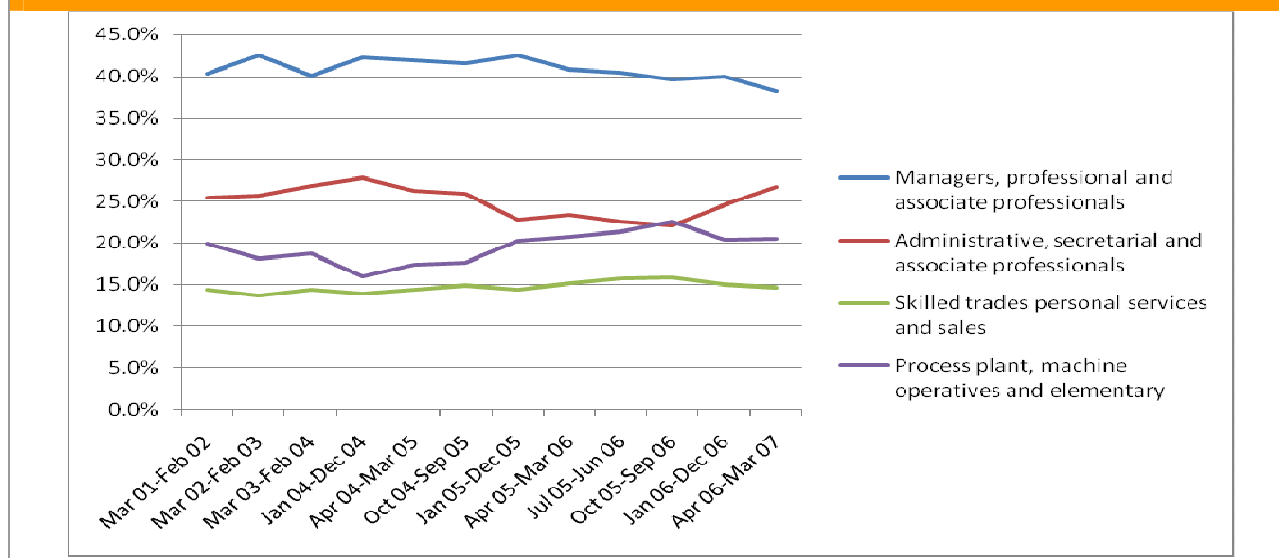
5.42 The changing economy means that the types of occupations the study area has to offer are vastly different from those of a few decades ago, impacting on economic rates (of both men and women), earnings and ultimately housing affordability. For instance, it is known that service industries stimulate women's participation in the labour market and lead to growing numbers of part-time employees. This, in turn, might impact on household headship rates among women and increase the number of dual-earner households (and household income), within the study area.

Figure 5.15 Study area types of employment 1995-2006

Source: NOMIS, 2006 (ONS annual population survey)

5.43 Residents in occupation groups 1-3 have decreased slightly in recent years. Administrative, secretarial and clerical workers have increased. The decrease in higher skilled employment would have resulted in a decrease in average earnings, which might mean fewer people being able to afford higher priced properties. Alternatively, the slight narrowing of the earning gaps between the highest paid and the lowest paid might mean that the poorest paid workers would find local housing slightly more affordable.

Figure 5.16 Study area occupational types 2001-2006

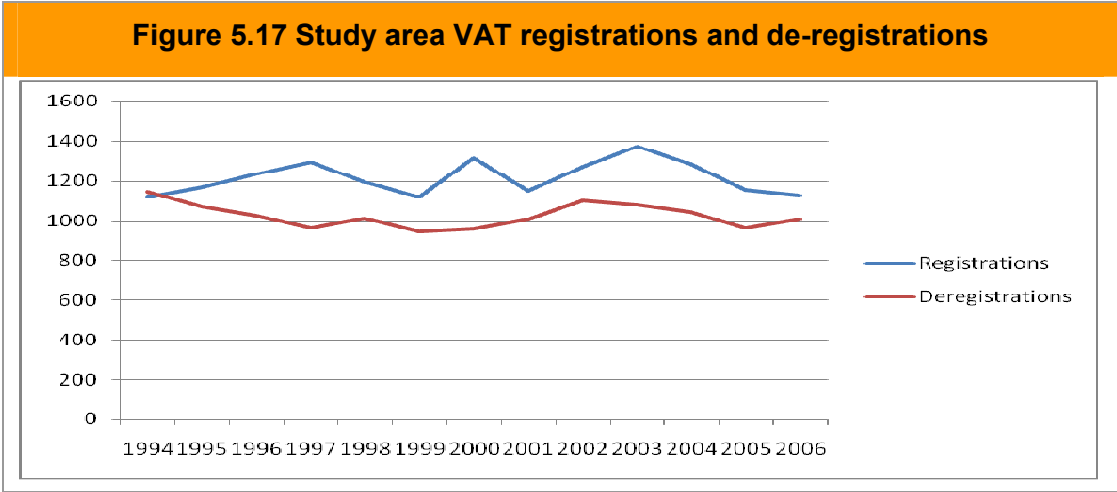


Source: NOMIS, 2006 (ONS annual population survey)

5.44 The number of VAT registrations of businesses (i.e. businesses with a turnover higher than £60,000) can be broadly indicative of the health of the local economy. The figure below shows VAT registrations and de-registration between 1994 and 2006. There were sudden increases of VAT registrations during the periods 2000 and 2003 although the number has declined in recent years

5.45 According to Suffolk County Council (February 2007), Suffolk has recently (2006) witnessed a large decrease (around 7,000) in the number of public sector workers. At the same time there were declines in the manufacturing industry (1,500) and transport and communications sector (1,300). In contrast, there were increased numbers of people working in the agriculture, energy/water, construction, distribution/hospitality/retail, financial and other service sectors. However, the report notes that these figures are quite unreliable due to their small sample size.

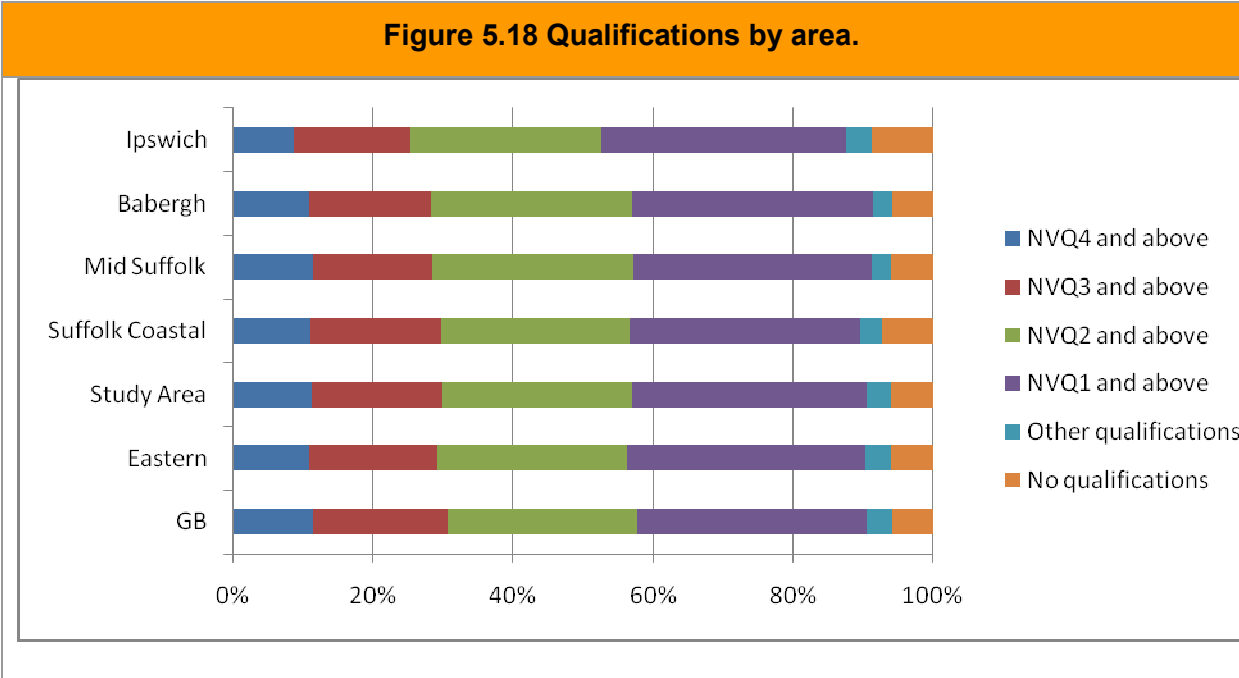
5.46 It is interesting to note that the Suffolk Development Agency and Suffolk County Council have recently commissioned University Campus Suffolk (UCS) to undertake an analysis of the growth trends, opportunities for expansion and barriers that might constrain Suffolk's economic development. The report is due to be published in 2009.



Source: NOMIS taken from DTI Small Business Service – VAT registrations/deregistration by industry (2006)

Skills and education

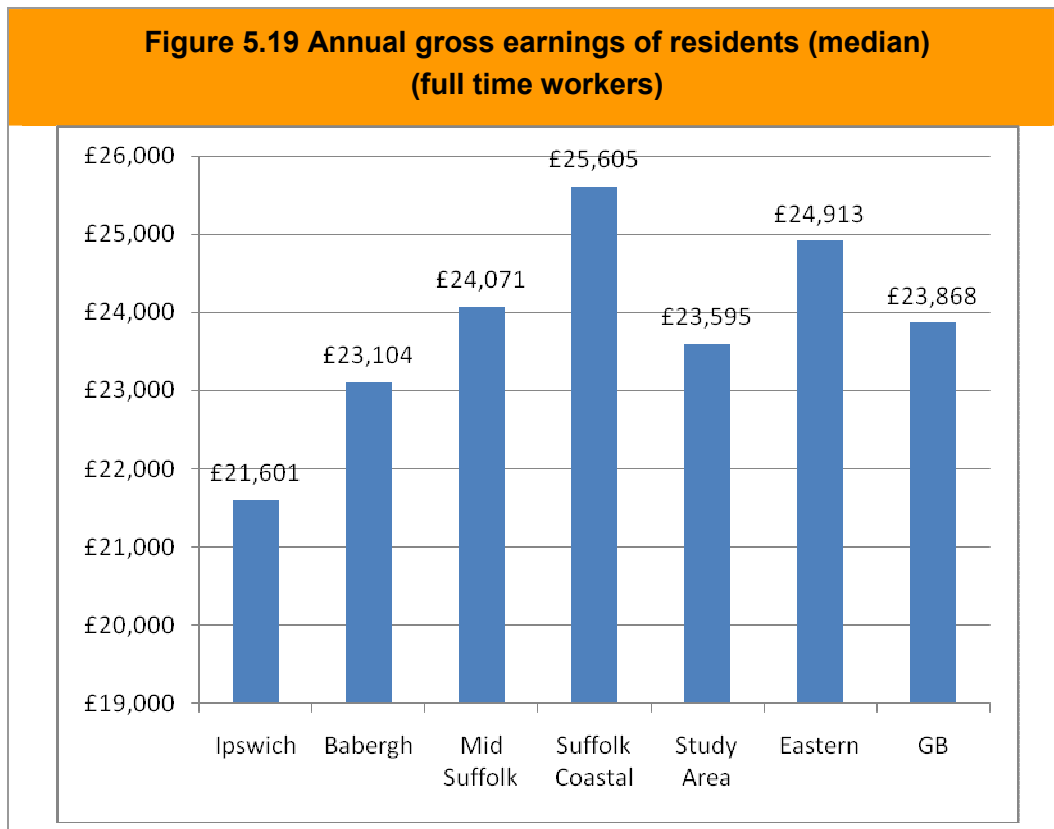
5.47 Compared with averages for Great Britain and Eastern England, people living within the study area are slightly less well qualified (although average levels of qualifications in Ipswich tend to be lower compared with the three remaining council areas). The study area has a slightly lower than average proportion of people with higher level qualifications. Residents of Mid Suffolk are most likely to have higher levels of qualifications. However, compared with regional and national averages, Ipswich has a higher proportion of residents without any qualifications.



Source: NOMIS ONS Annual Population Survey, 2006

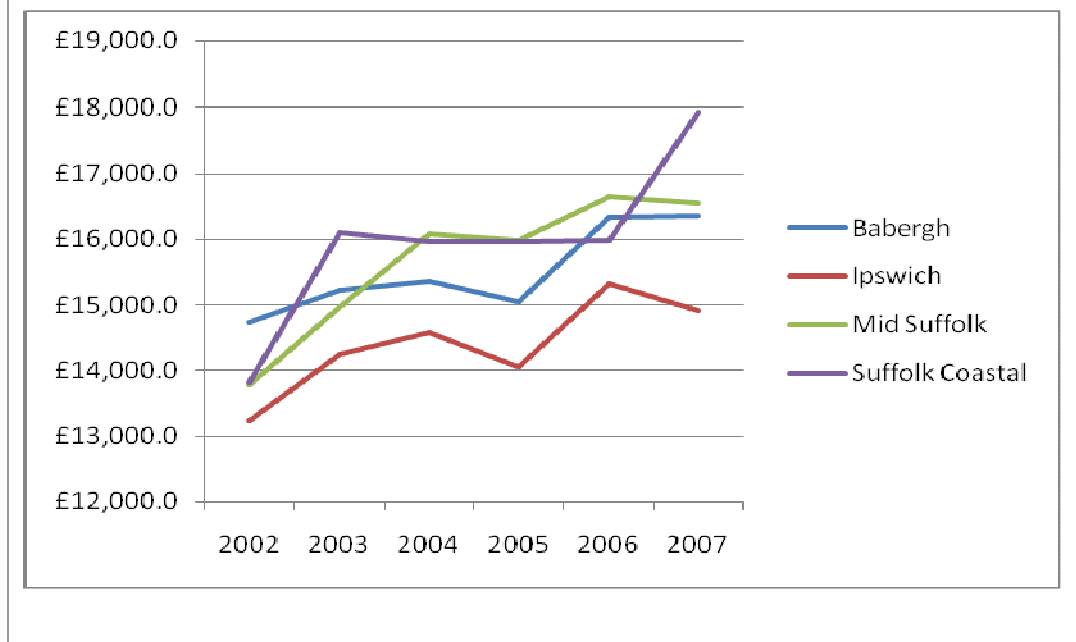
Step 3.1.4 Incomes & Earnings

- 5.48 Earnings of local residents are the key parameter of affordability. The overall average earnings in the study area have increased at an average annual rate of 3.3% during the last five years. However, by 2007 average incomes in the study area remained below both regional and national average incomes.
- 5.49 The average (median) annual income for a full-time worker in the study area is £23,595 pa compared with £24,913 pa for the East of England region and £23,868 nationally. Average incomes vary throughout the study area with average incomes highest in Suffolk Coastal at £25,605 pa and lowest in Ipswich at £21,601 pa.



Source: ASHE (NOMIS), 2007

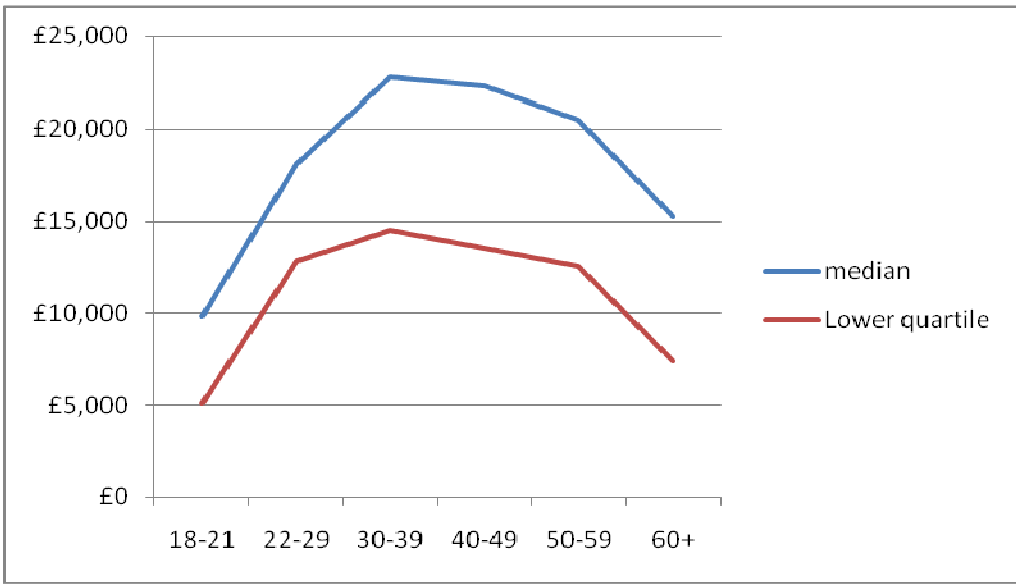
- 5.50 The graph below shows the lower quartile annual incomes of full-time workers in the study area. Since 2002 there have only been modest increases in lower quartile incomes in Ipswich, Babergh and Mid Suffolk whilst weekly wages in Suffolk Coastal increased more substantially where lower quartile incomes have increased by £4,113 over the last five years.

Figure 5.20 Lower quartile incomes by area (full time workers)

Source: ASHE (NOMIS), 2007

- 5.51 The graph below shows the distribution of median and lower quartile incomes by age. The data is only available for Great Britain but we would expect a similar distribution in most areas of the country. The decline in lower quartile and median incomes after their peak at around the mid-30s may be due to several factors: some employees (especially women) may seek employment which is lower paid but more suitable to the demands of bringing up a family; people returning to work after bringing up a family may find that their skills and qualifications require updating; and discriminatory practices by employers may impact on the wage levels of older people.

**Figure 5.21 Lower quartile and median incomes by age (full time workers)
(Great Britain)**



Source: ASHE (NOMIS), 2007

Summary

- The population of the study area has grown steadily since 1981, increasing by 16% with an estimated population of 423,306.
- Most of the population increase has occurred in the rural council areas of Babergh, Mid Suffolk and Suffolk Coastal whilst Ipswich's population has only just recovered its 1981 size. Whereas Ipswich's de-population during the 1980s and 1990s may be associated with de-industrialisation and loss of employment opportunities, its recent repopulation may be associated with its characteristic as an area with relatively low house prices and as a growing economic centre.
- Compared with regional averages, the study area has a relatively small BME population. However, stakeholders suggest that this underestimates the current position due to EU migrant workers and foreign nationals being employed in Ipswich's hospital and the technology park. Also, as Chapter 10 suggests, the study area's BME population is growing, tends to live in specific areas and is more likely to experience certain housing problems such as overcrowding. Policy recommendations for BME groups are further discussed in Chapter 12.
- The study area contains a larger than average proportion of adult only households whilst Suffolk Coastal contains a higher than average proportion of pensioner households. The latter is likely to mean that there is a greater demand for age-related health and support services. Policy recommendations for older people are further discussed in Chapter 12.
- Compared with averages for Great Britain and Eastern England, residents of the study area are slightly less well qualified (although average levels of qualifications in Ipswich tend to be lower compared with the three remaining council areas). However, there are plans to increase the number of students studying at the University Campus Suffolk on Ipswich Waterfront.
- On average, incomes in the study area remain below both regional and national average incomes at £23,595 pa compared with £24,913 pa for the East of England region and £23,868 nationally. This characteristic is likely to exacerbate issues around housing affordability. The impact of income on affordability locally is explored in chapter 7 and in chapter 9 with regard to housing need.
- Overall the view of stakeholders confirms that many workers travel into the Ipswich and Felixstowe economic centres. Those who can afford to buy into the attractive residential offers of Suffolk Coastal and Mid Suffolk.

6. Current housing stock

The purpose of this chapter is to:

- Provide an overview of the current housing stock including the number, type and condition of dwellings within the four Council areas
- It corresponds to stage 3.2 of the Strategic Housing Market Assessment Practice Guidance

Stage 3.2: The Housing Stock

Step 3.2.1: Dwelling profile

Dwellings

- 6.1 The proportion of properties in council tax bands can be used as a proxy measure for household wealth. As can be seen in the table below, there are some differences between the study area Councils.
- 6.2 Ipswich contains the highest proportion of properties in Council Tax Band A (30.9%) (i.e. the lowest valued properties) – this is higher than the average for England and Wales (24.7%). However, the remaining three study area Councils have a lower than average proportion of properties in Band A.
- 6.3 In contrast, Suffolk Coastal (10.9%) contains the highest proportion of properties in the four highest bands (i.e. F-I), followed by Mid Suffolk (10.5%), Babergh (9.9%), and Ipswich (2.2%) For comparative purposes, the council tax profiles for Colchester and Chelmsford have been included within the table.

Table 6.1 The study area – council tax bands

Council Tax Band	Ipswich (%)	Babergh (%)	Mid Suffolk (%)	Suffolk Coastal (%)	Study Area (%)	Colchester	Chelmsford	East (%)	England & Wales (%)
Band A	30.9	11.4	12.7	13.2	17.0	12.2	6.4	14.3	24.7
Band B	37.2	29.6	27.3	24.8	29.7	25.9	13.5	21.2	19.4
Band C	18.9	20.6	21.9	19.7	20.3	26.1	30.6	26.3	21.6
Band D	7.1	18.0	16.1	18.8	15.0	17.5	22.6	17.5	15.2
Band E	3.7	10.4	11.6	12.7	9.6	10.1	13.9	10.6	9.7
Band F	1.6	5.3	6.5	6.8	5.0	4.9	7.5	5.8	5.2
Band G	0.6	4.1	3.7	3.8	3.0	3.1	5.1	3.9	3.6
Band H	0.0	0.5	0.3	0.3	0.3	0.2	0.5	0.5	0.6
Band I	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: ONS, 2001

6.4 Interestingly, although the average council tax in the four study area councils differ somewhat, they all increased at around the same average rate of 73.3% between 2001/02 and 2008/09. However, it is more likely that the house price changes discussed in Chapter 7 more accurately reflect the changing value of properties within the study area.

Table 6.2 Council Tax increases 2000/01 to 2008/09

	Average Council Tax 2001/02	Average Council Tax 2008/09	% change 2001/02-2008/09
Ipswich	£989	£1,707	72.6%
Babergh	£1,070	£1,839	71.9%
Mid Suffolk	£980	£1,710	74.4%
Suffolk Coastal	£971	£1,693	74.3%
Average	£1,003	£1,737	73.3%

Source: CLG, 2008

Population density

6.5 In 2001, the overall housing density in the study area, at 1.7 people per hectare, was below the national average of 3.5 people per hectare, reflecting the County's predominately rural character.

6.6 However, there were some wide variations between the rural and urban areas. Unsurprisingly, as an urban area, population density in Ipswich is by far the highest at 29.7 persons per hectare. In contrast, the more rural areas of Babergh, Mid Suffolk and Suffolk Coastal all had population densities below two persons per hectare.

Table 6.3 Population density			
	Population	Hectares	Persons per hectare
Ipswich	117,069	3,942	29.7
Babergh	83,461	59,378	1.4
Mid Suffolk	86,837	87,107	1.0
Suffolk Coastal	115,141	89,153	1.3
Study Area	402,508	239,580	1.7
Eastern England	5,388,140	1,910,920	2.8
England and Wales	52,041,916	15,102,075	3.5

Source: ONS, 2001

Household size

- 6.7 The average household size within the study area is slightly lower than the national average at 2.34 persons per household compared with 2.36 nationally. However, there are only minor differences between districts in terms of average household size with Mid Suffolk having the highest average household size at 2.41 persons per household followed by Babergh (2.35) and Ipswich and Suffolk Coastal (2.31).

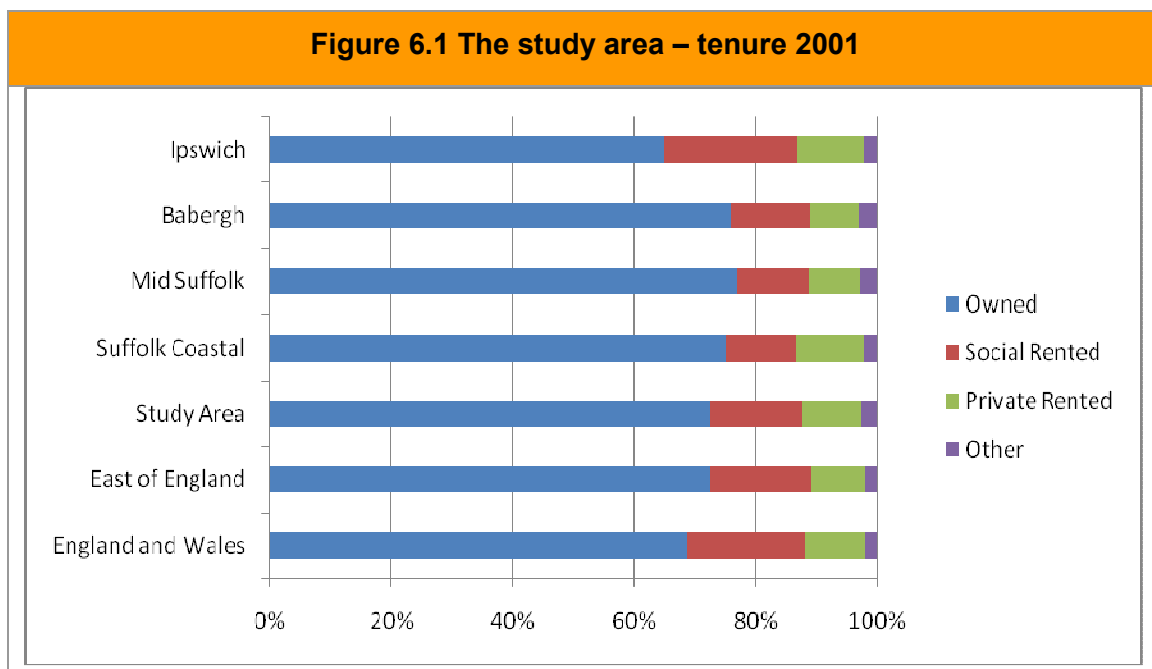
Table 6.4 Household size	
	Persons
Ipswich	2.31
Babergh	2.35
Mid Suffolk	2.41
Suffolk Coastal	2.31
Study area	2.34
East of England	2.37
England and Wales	2.36

Source: ONS, 2001

Housing tenure

- 6.8 By 2001 the level of owner-occupation in the study area was at 72.7 % compared to the national average of 68.9 %. The proportion of home ownership was the highest in Mid Suffolk at 76.9%, followed by Babergh (76.1%), Suffolk Coastal (74.9%) and Ipswich (65.0%). The high levels of owner-occupation are likely to impact on levels of housing affordability.

- 6.9 In contrast, the proportion of social rented properties within the study area is much lower than the national average at 15.1% compared with 19.2% nationally. Ipswich contains the largest proportion of social rented housing at 21.9% although the remaining three Councils contain much lower proportions of social rented properties. Similar to the above, the low level of social rented housing is likely to further exacerbate the issue of lack of access to affordable housing.
- 6.10 Again, the proportion of private rented properties within the study area is slightly lower than the national average at 9.7% compared with 9.9% nationally. Ipswich contains the largest proportion of private rented housing at 10.7%.



Source: Census 2001

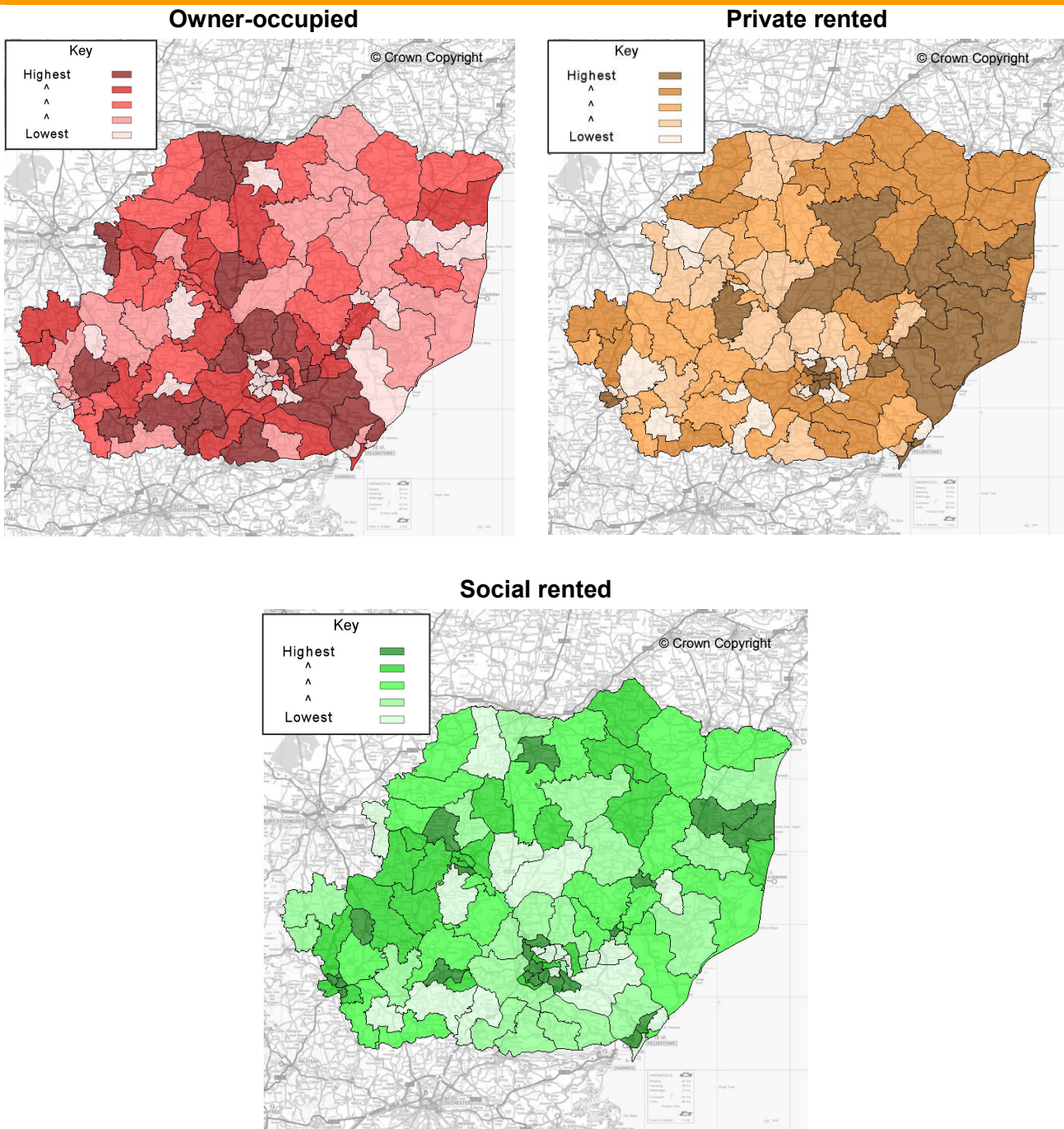
- 6.11 The maps below show the proportion of households living in each of the three broad tenure groups (owner-occupation, social rent and private rent) by ward. The map has been split into five broad categories (please note that, for clarity, the first map shows the District boundaries within the study area).
- 6.12 The data shows that the proportions of households in owner-occupation have no clear trend, although the main concentrations tend to be towards the south of the study area. In comparison, the private rented sector appears to be concentrated in the east of the study area and Ipswich.
- 6.13 In the social rented sector, it is interesting to note that it is the smaller (mostly urban) wards that have the highest proportions of social rented housing.

Figure 6.2 District council boundaries



Source: Fordham Research, 2008

Figure 6.3 Tenure by ward



Source: Census 2001

6.14 By 2006/07 the total number of dwellings in the study area had increased to 189,393 with private sector dwellings increasing to 161,526 as people continued to aspire to home ownership. The number of social rented dwellings (including local authority, RSL and 'other') within the study area stood at 27,867 with the largest numbers located in Ipswich (12,394).

Table 6.5 Total Dwelling Stock

	LA	RSL	'Other' Public sector	Private Sector (non RSL)	Total
Ipswich	8,270	3,964	160	43,163	55,557
Babergh	3,568	1,184	21	32,942	37,715
Mid Suffolk	3,491	1,070	0	35,025	39,586
Suffolk Coastal	32	6,101	6	50,396	56,535
Study Area	15,361	12,319	187	161,526	189,393

Source: Housing Strategy Statistical Appendix (HSSA), 2006/07

- 6.15 Over the period 1997-2007 the amount of housing stock within the study area increased by 9.9%, a rate that is slightly higher than the average increase for the East of England (9.1%) and substantially higher than England (7.7%). The largest increase in stock took place in Mid Suffolk (12.4%), compared with Suffolk Coastal (9.4%), Babergh (9.3%) and Ipswich (9.1%).

Table 6.6 Change in Housing Stock 1997-2007

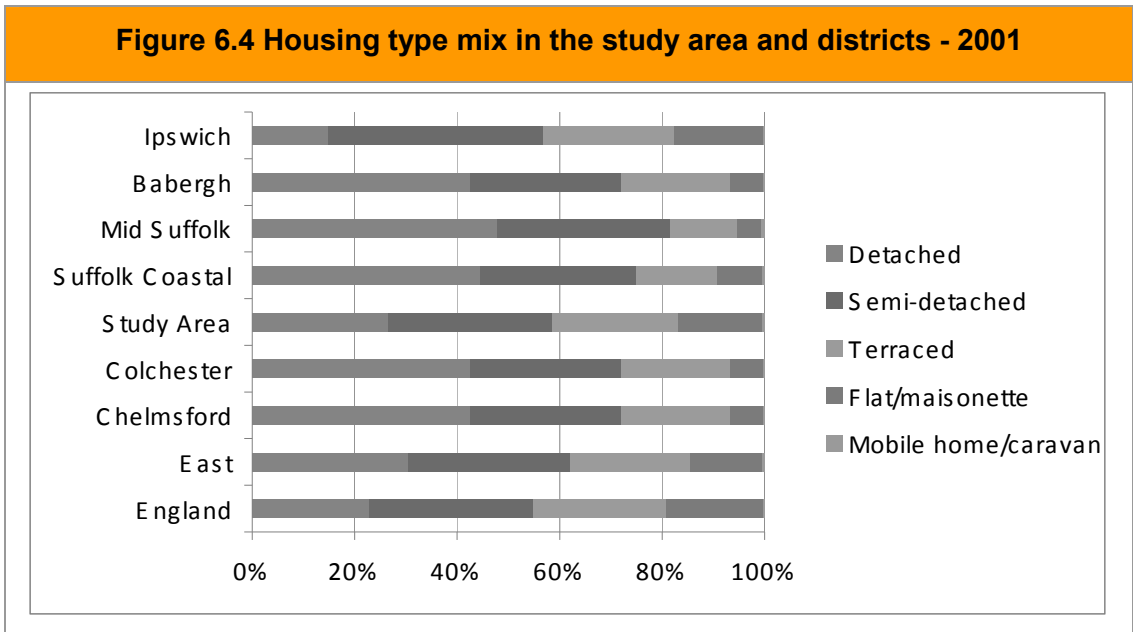
Area	1997	2007	1997-2007 change	Annual change	Total % change
Ipswich	50,905	55,557	4,652	465	9.1%
Babergh	34,512	37,715	3,203	320	9.3%
Mid Suffolk	35,218	39,586	4,368	437	12.4%
Suffolk Coastal	51,661	56,535	4,874	487	9.4%
Study Area	172,296	189,393	17,097	1,710	9.9%
East of England	2,237,219	2,440,767	203,548	20,355	9.1%
England	20,680,568	22,279,300	1,598,732	159,873	7.7%

Source: HSSA, 1997 & 2007

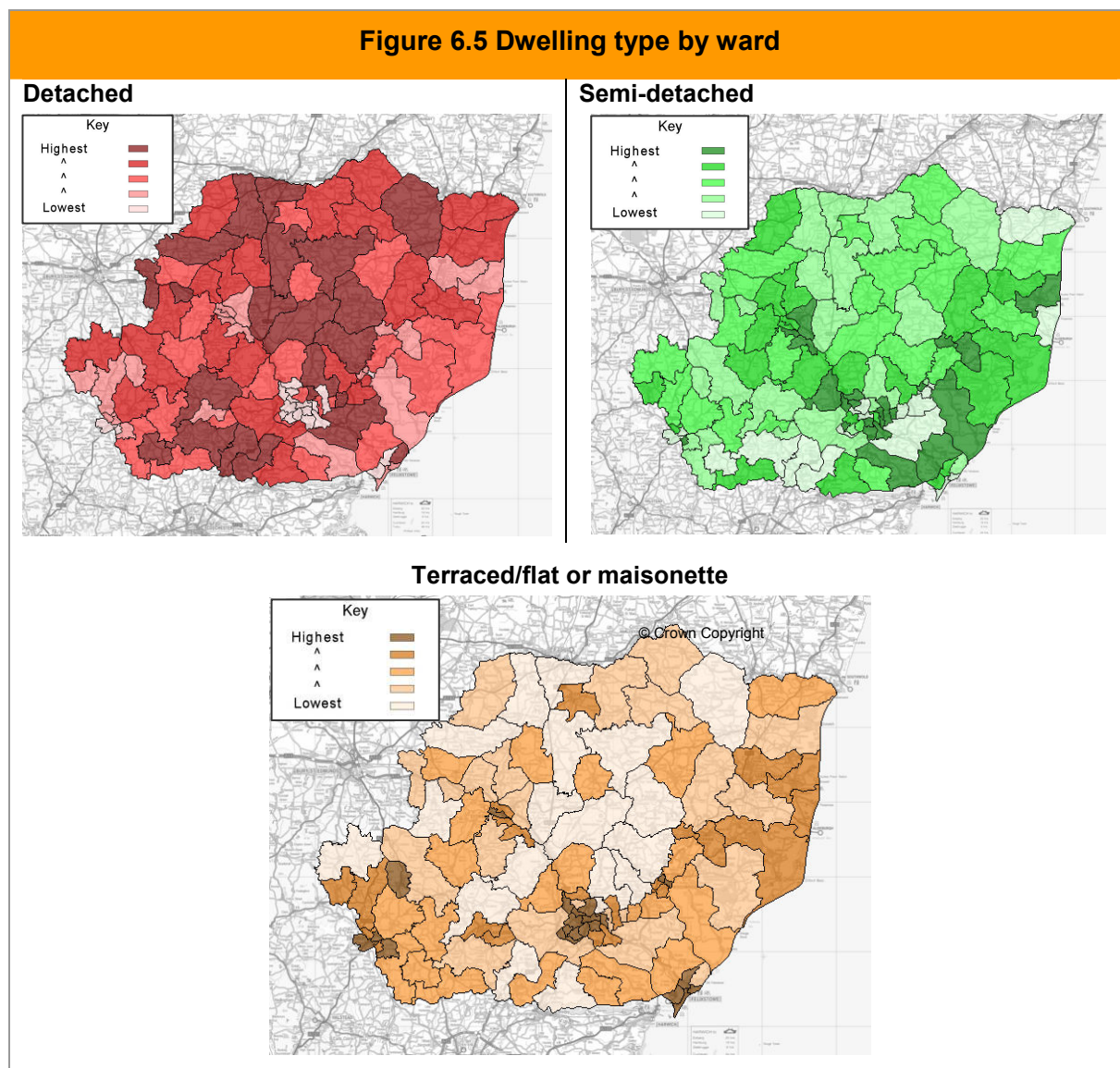
Housing types

- 6.16 There are some differences between the councils, study area and national averages in terms of housing types. The average proportion of detached properties within the study area at 37.4% is much higher than the national average of 22.8%.
- 6.17 However, the proportion of detached properties between districts varies considerably with 47.9% in Mid Suffolk, 44.4% in Suffolk Coastal, and 42.6% in Babergh compared with a relatively low 14.9% in Ipswich. The average proportion of semi-detached properties within the study area at 34.0% is slightly higher than the national average of 31.6%

6.18 The average proportion of terraced properties within the study area is slightly lower than the national average at 25.6% compared with 26.0% nationally. Similarly, the average proportion of flats or apartments within the study area is lower than the national average at 9.3% compared with 18.9% nationally. However this masks the reality that in parts of Mid Suffolk and especially in Ipswich, stakeholders believe there is an over-supply of newly or recently constructed flats and apartments which are not just restricted to the Ipswich Waterfront. For comparative purposes, the housing characteristics of Colchester and Chelmsford are also shown.



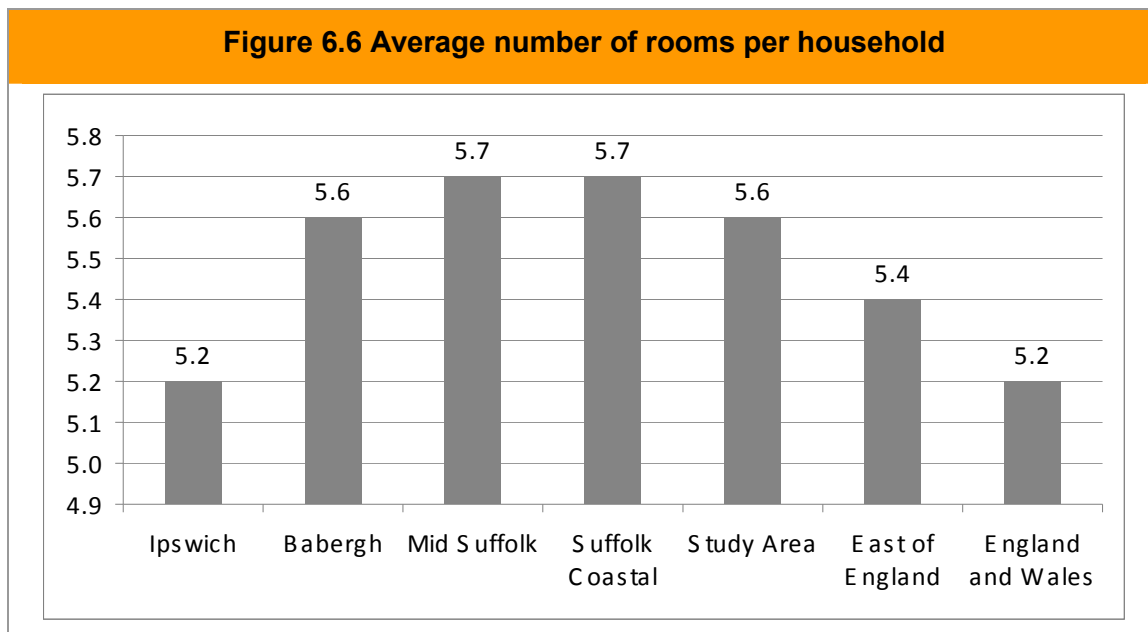
6.19 The maps below show the geographical spread of dwelling types across the study area. It can be seen that there is a concentration of terraced and flatted accommodation in the most urban wards of the study area. Conversely, detached properties are concentrated in the more rural areas of the study area whilst semi-detached properties are concentrated in the south east of the study area.



Source: Census 2001

Housing size

- 6.20 From the 2001 Census, the average size of housing in the study area is 5.6 rooms. The definition of a room in the Census is not the same as a bedroom, which is a more commonly used concept to judge the size of a house and plan for housing.
- 6.21 The average number of rooms is the highest in Mid Suffolk and Suffolk Coastal where the average was 5.7 rooms per household (although Suffolk Coastal has a relatively low household size).
- 6.22 Ipswich has the lowest average number of rooms in the study area (5.2 rooms) although its average household size is also relatively low.



Source: Census 2001

Second homes

- 6.23 Data on the proportion and number of second homes is only available for two of the four study area councils. On average, the impact of second homes on the local housing market is slightly greater than that of the region.
- 6.24 In 2001, the proportion of second or holiday homes in the study area was 2.5%, higher than the East of England average of 1.3%. In total, there were only 2,700 second or holiday homes although these were mainly concentrated in Suffolk Coastal which contains 2,411 second/holiday homes.
- 6.25 The character of Suffolk Coastal District is noteworthy as is its role in the sub-region. The data confirms it as a popular destination for tourists. Apart from the presence of second homes, much of the rural economy exists to serve tourists. The data also shows that residents are significantly wealthier than those in the other districts. Residents are a mix of commuters and people who have decided to retire in the attractive small towns and villages.

Table 6.7 Second/Holiday Homes in The study area and Districts, 2001

	All Dwellings	Second/Holiday Homes (No.)	Second/Holiday Homes (%)
Ipswich	53,899	289	0.5
Babergh
Mid Suffolk
Suffolk Coastal	54,923	2,411	4.4
Study Area	108,822	2,700	2.5
Eastern England	1,449,889	19,462	1.3

Source: Census 2001

- 6.26 Similarly, the proportion of vacant dwellings (defined as being unoccupied for a period of six months or more) in 2006/07 varied throughout the study area with the highest proportion in Suffolk Coastal at 3.0% of all dwellings compared with the study area average of 2.6%. Vacant dwellings in the remaining districts of the study area were 2.8% in Babergh and Ipswich and 1.7% in Mid Suffolk.

Table 6.8 Vacant dwellings

	LA	RSL	'Other' Public sector	Private Sector (non RSL)	Total	% Of All Dwellings
Ipswich	45	109	15	1372	1541	2.8%
Babergh	101	14	0	951	1066	2.8%
Mid Suffolk	49	0	0	625	674	1.7%
Suffolk Coastal	5	53	0	1654	1712	3.0%
Total	200	176	15	4602	4993	2.6%

Source: HSSA 2006/07

Overcrowding

- 6.27 Overcrowding can be a sign of 'unaffordability' of housing if households are forced to live in overcrowded conditions due to a lack of larger housing that is affordable to them. The 2001 Census provides a measure of overcrowding by using an occupancy rating. The rating was derived by comparing the actual number of rooms¹⁷ to the number of rooms 'required' by members of the household, based on a relationship between them and their ages.
- 6.28 In total, over 6,540 households in the study area were considered as overcrowded, i.e. they had too few rooms for the size of the household. This represents 3.9 % of all households.

¹⁷ Include kitchens, living rooms, bedrooms utility rooms and studies. Exclude bathrooms, toilets, halls, landings and storage rooms.

6.29 One key feature emerging of overcrowding in the study area was the wide variations between districts with the proportions reaching 6.2 % in Ipswich. The other areas did not experience the problem to any similar degree, with Mid Suffolk ranking among the best in the region on this measure.

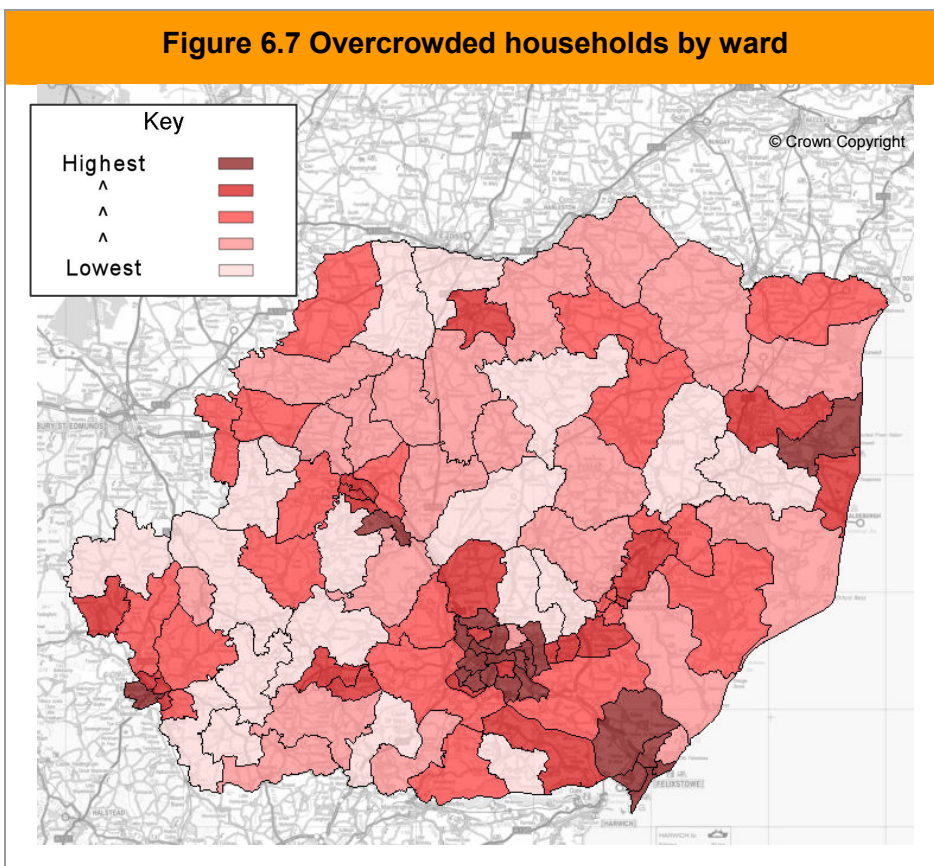
Table 6.9 Overcrowding households in the study area and districts, 2001

	All Households	Overcrowding Households	
	No.	No.	%
Ipswich	49,869	3,116	6.2%
Babergh	34,863	988	2.8%
Mid Suffolk	35,396	884	2.5%
Suffolk Coastal	49,025	1,552	3.2%
Study Area	169,153	6,540	3.9%
East of England	2,231,974	115,338	5.2%
England and Wales	21,660,475	1,510,422	7.0%

Source: ONS, 2001

6.30 The map below shows the proportions of overcrowded households by ward. There is no clear spatial pattern although there are very definite clusters of wards which have some of the highest and lowest levels of overcrowding. The towns of Ipswich and Felixstowe have the greatest concentrations of wards with high levels of overcrowding.

Figure 6.7 Overcrowded households by ward



Source: Census 2001

Step 3.2.2: Stock condition

Unfit dwellings

6.31 In total, 6,724 dwellings within the study area were designated as ‘unfit’ during 2005/06. However, there were some significant variations throughout the study area with Suffolk Coastal at 1.6%, and Babergh 3.3% of a low proportion of unfit properties compared with an average of 4.0%. In contrast, Mid Suffolk has a much higher than average proportion of unfit properties whilst Ipswich contains the study area average of 4.0%

Table 6.10 Unfit dwellings						
	LA	RSL	‘Other’ Public sector	Private Sector (non RSL)	Total	% Of All Dwellings
Ipswich	0	1	0	2,004	2,005	4.0%
Babergh	0	0	0	1,146	1,146	3.3%
Mid Suffolk	0	0	0	2,805	2,805	7.9%
Suffolk Coastal	0	0	0	768	768	1.6%
Total	0	1	0	6,723	6,724	4.0%

Source: HSSA 2005/06

6.32 In April 2006 CLG replaced the Housing Fitness Regime with the Housing Health and Safety Rating System (HHSRS) as the new risk assessment procedure for residential properties. The HHSRS also replaces the Fitness Standard as an element of the Decent Homes Standard. As such, the CLG’s Housing Strategy Statistical Appendix for 2006/07 asked questions about the condition of private sector properties using both the old ‘fitness’ and new HHSRS measures. Unfortunately, as these measures are not comparable CLG decided not to publish all the interim results.

6.33 However, one measure that is available is the government’s Standard Assessment Procedure (SAP) used in the UK for calculating the energy performance of dwellings. The calculation is based on energy balance taking into account a range of factors such as:

- Energy efficiency
- Materials used for construction of the dwelling
- Thermal insulation of the building fabric
- Ventilation characteristics of the dwelling and ventilation equipment
- Efficiency and control of the heating system(s)
- Solar gains through openings of the dwelling
- The fuel used to provide space and water heating, ventilation and lighting
- Renewable energy technologies

6.34 According to Government Guidance, a SAP rating of less than 35 should be regarded as a category one hazard leading to a Decent Homes failure and meaning that the Council has to take action. The SAP ratings for the study area are shown below:

Table 6.11 SAP Ratings 2006-2007		
	Average SAP rating of private sector properties	% private sector properties with SAP rating below 35
Ipswich	51	10
Babergh	47	11
Mid Suffolk	55	10
Suffolk Coastal	49	11
Average	50.5	10.5

Source: HSSA 2006/07

- 6.35 As can be seen, the average SAP rating of all private sector properties within the study area is relatively high at 50.5 although this ranges from 47 in Babergh to 55 in Mid Suffolk. The proportion of properties below SAP 35 (and failing the Decent Homes standard) is around the same in all four areas averaging between 10% and 11%.
- 6.36 It may also be useful to examine the findings of the most recent stock condition and housing needs surveys.

Ipswich

- 6.37 Ipswich's Housing Condition Survey 2004 suggested that an estimated 2,004 private sector dwellings were unfit, accounting for 4.5% of the private sector housing stock, This compared to an unfitness rate of 4.2% nationally and 3.0% in the East (2001 English House Condition Survey (EHCS)). The most common reasons for unfitness in Ipswich were food preparation at 1,089 dwellings (54.3%) and disrepair at 1,069 dwellings (53.3%). Both the figures for food preparation and disrepair are higher than the national averages of 39.4% and 45.5%.
- 6.38 The average cost to make unfit dwellings just fit was £6,470 per dwelling, the urgent costs in these dwellings averages £8,581, basic repair costs average £10,220 and comprehensive costs £13,020. Borough-wide, these figures are £13.0m, £17.2m, £20.5m and £26.1m respectively. There is a clear relationship between the various costs and the number of items on which a dwelling fails.

Babergh

- 6.39 Babergh's Housing Condition Survey 2001/02 suggested that whilst progress had been made in rectifying unfitness and disrepair in the District, 10.8% of the stock was categorised as being 'unfit' and 'not unfit but seriously defective'. The unfitness rate for the stock is 3.5%. Unfit dwellings were found to have poor energy efficiency and in particular condensation and associated problems were most prevalent in the private rented sector.

- 6.40 The average expenditure (per unfit dwelling) required is £8,512.00 although costs vary between the sub-areas. The repair costs were highest in the oldest stock age band. However, there are significant costs in the inter-war stock age band. For the oldest stock (pre-1919) costs are nearly twice the District average.

Mid Suffolk

- 6.41 Mid Suffolk is currently in the process of updating both its Housing Condition and Housing Needs surveys. In the meantime, the council's Private Sector Renewal Strategy 2007 suggests that there are estimated to be some 3,000 vulnerable households, of which 1,731 or 57% occupy non-decent homes.
- 6.42 Importantly, the report states that despite the scale of the investment to date, the task of tackling all the remaining unfit, unsafe, and non-decent private sector housing stock is beyond the Council's capacity to meet by providing grants and other forms of intervention alone. The Council has therefore decided on the immediate and short-term priorities when setting policy for its private sector housing funding and services, while also considering how it can in the longer term help and encourage homeowners to improve their housing conditions by effective use of their own assets and resources.

Suffolk Coastal

- 6.43 According to Suffolk Coastal's joint Housing Needs and Housing Condition Survey 2007, the council's dwelling stock is more modern than the national average, but also with more owner-occupied dwellings and more detached houses. Overall 14,240 dwellings were determined to be non-decent (26.1% of the stock compared to 30.1% national average); and 290 homes that were occupied by vulnerable households need to be made decent to meet the Public Service Agreement 7 target of 70% decent homes by 2010. Also, the report states that an estimated 5,010 dwellings contain a Category 1 hazard. This equates to 9.2% of the stock (similar to the national average).
- 6.44 In response, in August 2007 the Council published its Private Sector Housing Renewal Strategy which outlines how it will address private sector housing issues in the District and link with wider sub-regional strategies and statutory duties.
- 6.45 Please note that Decent Homes policy is further discussed in Chapter 11.

Step 3.2.3: Shared housing and communal establishments

Shared housing

- 6.46 Households in shared dwellings can be a result of an inadequate supply of affordable housing in a local area. In the 2001 Census, a household space is considered to be in a shared dwelling if one of the conditions set is present in the accommodation i.e. not all rooms are behind a door that only that household can use¹⁸.
- 6.47 Of all household spaces in the study area, over 99.94% were in an unshared dwelling. In total, only 106 household spaces were in a shared dwelling, representing 0.06% of all dwellings. This is the same as the regional proportion of 0.06 %.
- 6.48 The distribution of all shared dwellings is highly uneven with the highest proportion contained in Ipswich (74.5%) followed by Suffolk Coastal (14.2%) and Babergh (8.5%). Only a very small proportion of the study area's shared dwellings are contained in Mid Suffolk (2.8%).
- 6.49 Again census data masks recent trends observed by stakeholders i.e. the presence of EU migrant workers since accession in 2004 who tend to share dwellings in order to make housing costs more affordable.

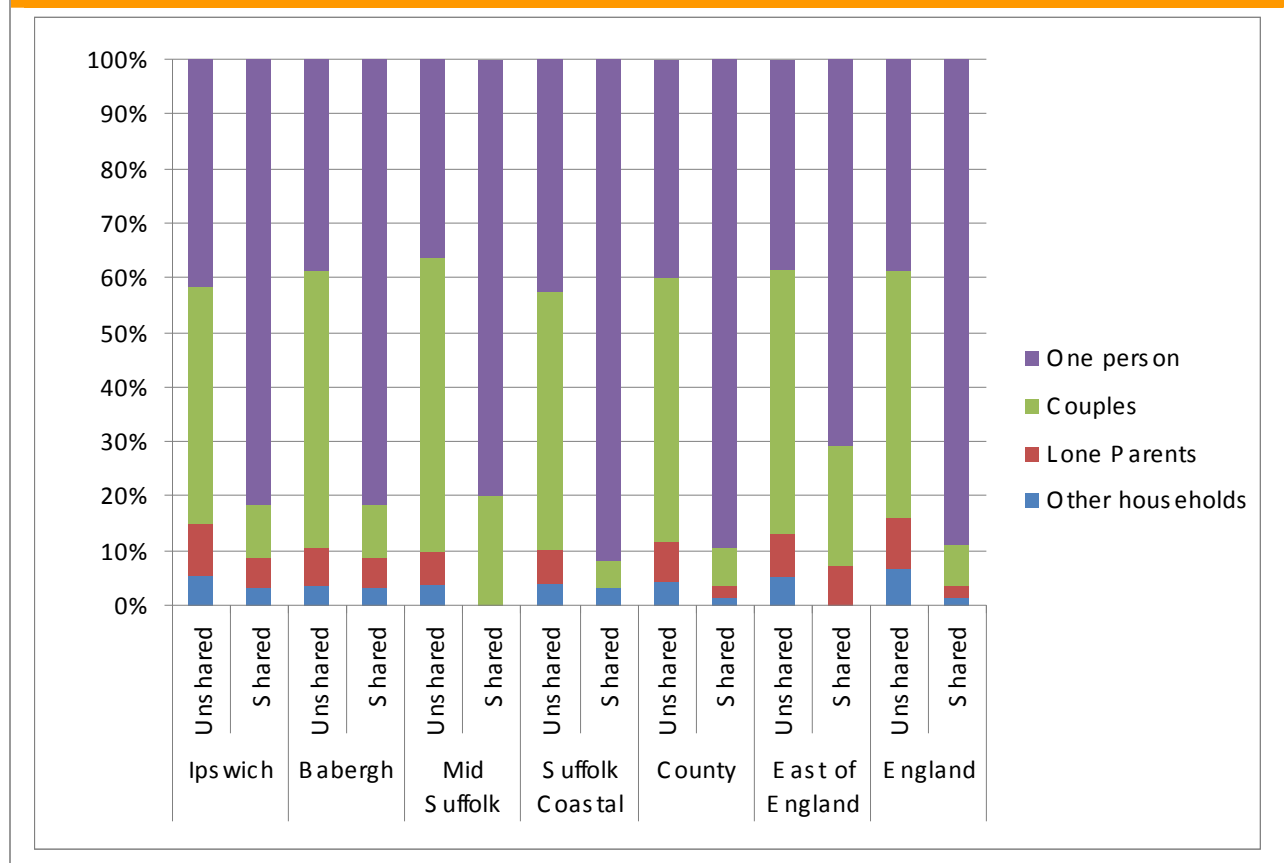
Table 6.12 Shared dwellings in the study area and districts 2001			
	No. household spaces in shared dwelling	% of all household spaces	% Share of study area's shared Housing
Ipswich	79	0.15%	74.5%
Babergh	9	0.02%	8.5%
Mid Suffolk	3	0.01%	2.8%
Suffolk Coastal	15	0.03%	14.2%
			100.0%
Study area	106	0.06%	
East of England	22,071	0.06%	--

Source: ONS, 2001

- 6.50 As can be seen from the figure below, there are significant differences between households in shared and unshared accommodation. Households in shared accommodation are more likely to consist of one person households compared with people living in unshared accommodation.

¹⁸ See Census 2001: Definition.

Figure 6.8 Household type by un/shared accommodation



Source: NOMIS, 2008

- 6.51 Future updates of the Strategic Housing Market Assessment will measure the impact of a growing student population in the private rented sector. It is the strategy of the university to work with the private rented sector to provide housing. Agents are beginning to see investors take an interest in this market. It is likely that this will only impact on Ipswich
- 6.52 The tables show the differences in relation to the characteristics of shared and unshared households. They also below suggest that there are some minor differences between the study area councils with one older person households more likely to reside in Suffolk Coastal and lone parent households in shared accommodation more likely to reside in Ipswich.

Table 6.13 Household types in unshared accommodation

	Ipswich (%)	Babergh (%)	Mid Suffolk (%)	Suffolk Coastal (%)	County (%)	East (%)	England & Wales (%)
One person - Pensioner	15.2%	14.9%	13.6%	16.6%	15.2%	14.1%	14.4%
One person - Other	17.0%	12.2%	11.0%	12.5%	13.4%	14.1%	15.6%
One family and no others - Pensioners	9.6%	11.6%	11.7%	13.3%	11.5%	10.2%	9.0%
Couple households with no children	16.6%	21.5%	22.7%	19.9%	20.0%	19.6%	17.8%
Couple households with only one dependent child	7.4%	8.3%	8.7%	7.4%	7.9%	8.1%	7.9%
Couple households - With two or more dependent children	13.3%	14.1%	15.7%	14.3%	14.0%	14.2%	12.9%
Couple households - all children non-dependent	6.0%	6.8%	6.8%	5.8%	6.2%	6.5%	6.3%
Lone parent with only one dependent child)	3.3%	2.3%	2.1%	2.1%	2.5%	2.7%	3.3%
Lone parent households with two or more dependent children	3.3%	2.2%	1.9%	2.0%	2.5%	2.6%	3.1%
Lone parent households - all children non-dependent	2.8%	2.5%	2.1%	2.3%	2.5%	2.7%	3.1%
Other households - with only one dependent child	0.8%	0.6%	0.6%	0.6%	0.7%	0.8%	1.1%
Other households - with two or more dependent children	0.9%	0.5%	0.6%	0.6%	0.7%	0.9%	1.2%
Other households - all student	0.1%	0.0%	0.0%	0.0%	0.0%	0.2%	0.4%
Other households - all pensioner	0.4%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
Other households - other	3.2%	2.1%	2.0%	2.1%	2.4%	2.9%	3.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: NOMIS, 2001

Table 6.14 Household types in shared accommodation

	Ipswich (%)	Babergh (%)	Mid Suffolk (%)	Suffolk Coastal (%)	County (%)	East (%)	England & Wales (%)
One person - Pensioner	22.8%	33.3%	33.3%	29.3%	38.1%	19.7%	29.2%
One person - Other	69.3%	46.7%	0.0%	41.5%	50.2%	55.7%	51.7%
One family and no others - Pensioners	0.0%	0.0%	33.3%	0.0%	0.9%	0.8%	1.0%
Couple households with no children	3.2%	20.0%	0.0%	7.3%	4.6%	5.7%	5.4%
Couple households with only one dependent child	1.6%	0.0%	0.0%	7.3%	1.8%	2.1%	1.8%
Couple households - With two or more dependent children	0.0%	0.0%	0.0%	7.3%	0.9%	2.7%	1.8%
Couple households - all children non-dependent	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.2%
Lone parent with only one dependent child	0.0%	0.0%	0.0%	7.3%	2.0%	3.6%	3.7%
Lone parent households with two or more dependent children	0.0%	0.0%	33.3%	0.0%	0.0%	1.9%	1.5%
Lone parent households - all children non-dependent	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.4%
Other households - with only one dependent child	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.3%
Other households - with two or more dependent children	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.3%
Other households - all student	1.6%	0.0%	0.0%	0.0%	0.0%	0.7%	0.8%
Other households - all pensioner	0.0%	0.0%	0.0%	0.0%	0.7%	0.2%	0.2%
Other households - other	1.6%	0.0%	0.0%	0.0%	0.9%	3.7%	1.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: NOMIS, 2001

Communal establishments

- 6.53 According to the 2001 Census, there were just 3,563 people in the study area living in communal establishments, representing 1.1% of all residents in the study area. Of these, 59% lived in medical and care establishments. Older people over the age of 74 accounted for 43.9% of people in communal establishments. In contrast, a smaller number of people in communal establishments were between the ages of 16 and 34 accounting for 28.1% of all people in communal establishments. In contrast, 13.3% of communal residents were children.
- 6.54 As can be seen in the tables below, the study area contains a total of 303 communal establishments. As expected, considering its relatively large population, Ipswich contains one of the largest numbers of communal establishments. However, considering its relatively smaller population, Mid Suffolk contains a similar number of communal establishments. The most common type of communal establishment is 'other medical' (47.5%) consisting of mainly nursing homes and residential care homes. However, over a third (37.6%) of all communal establishments are described as 'other', with half of this category consisting of hotels, boarding houses or guest houses.

Table 6.15 Communal establishments

	No.	%	Proportion of households
Ipswich	104	34.3%	29%
Babergh	51	16.8%	20%
Mid Suffolk	104	34.3%	21%
Suffolk Coastal	44	14.5%	29%
Total	303	100.0%	178,000

Source: Census, 2004

Table 6.16 Communal establishments by type 2004 (no.)

Council Tax Band	Ipswich (no.)	Babergh (no.)	Mid Suffolk (no.)	Suffolk Coastal (no.)	Study Area (no.)	East (no.)	England (no.)
NHS	12	0	4	3	19	208	1,907
LA	6	3	3	3	15	222	2,527
HA	5	3	3	0	11	106	804
Other medical	34	27	57	26	144	1,634	18,197
Other	47	18	37	12	114	2,135	22,996
Total	104	51	104	44	303	4,305	46,431

Source: Census, 2004

Table 6.17 Communal establishments by type 2004 (%)

Council Tax Band	Ipswich (%)	Babergh (%)	Mid Suffolk (%)	Suffolk Coastal (%)	Study Area (%)	East (%)	England & Wales (%)
NHS	11.5%	0.0%	3.8%	6.8%	6.3%	4.8%	4.1%
LA	5.8%	5.9%	2.9%	6.8%	5.0%	5.2%	5.4%
HA	4.8%	5.9%	2.9%	0.0%	3.6%	2.5%	1.7%
Other							
medical	32.7%	52.9%	54.8%	59.1%	47.5%	38.0%	39.2%
Other	45.2%	35.3%	35.6%	27.3%	37.6%	49.6%	49.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Census, 2004

6.55 A total of 6,389 people within the study area live in communal establishments constituting 1.5% of all people. Compared to the above, almost equal proportions of people live in 'other medical' communal establishments (44.0%) consisting mainly of nursing homes and residential care homes; and 'other' (43.9%) communal establishments which consist mainly of hotels, boarding houses or guest houses. Suffolk Coastal contains a particularly high proportion of people living in 'other medical' communal establishments with nearly all this category living in nursing homes and residential care homes. Interestingly, 722 of Babergh's 1,592 communal residents reside in educational establishments.

Table 6.18 People living in communal establishments by type 2004 (no.)

Council Tax Band	Ipswich (no.)	Babergh (no.)	Mid Suffolk (no.)	Suffolk Coastal (no.)	Study Area (no.)	East (no.)	England (no.)
NHS	136	45	90	7	278	4,023	34,830
LA	157	90	89	55	391	4,550	45,498
HA	67	15	0	23	105	1,338	10,152
Other							
medical	639	596	558	1,015	2,808	33,415	358,093
Other	598	846	657	706	2,807	48,279	485,704
Total	1,597	1,592	1,394	1,806	6,389	91,605	934,277

Source: Census, 2004

Table 6.19 People living in communal establishments by type 2004 (%)

Council Tax Band	Ipswich (%)	Babergh (%)	Mid Suffolk (%)	Suffolk Coastal (%)	Study Area (%)	East (%)	England & Wales (%)
NHS	8.5%	2.8%	6.5%	0.4%	4.4%	4.4%	3.7%
LA	9.8%	5.7%	6.4%	3.0%	6.1%	5.0%	4.9%
HA	4.2%	0.9%	0.0%	1.3%	1.6%	1.5%	1.1%
Other							
medical	40.0%	37.4%	40.0%	56.2%	44.0%	36.5%	38.3%
Other	37.4%	53.1%	47.1%	39.1%	43.9%	52.7%	52.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Census, 2004

Summary

- The evidence above suggests that there are clear differences between the more urban areas of Ipswich and the more rural areas of Babergh, Mid Suffolk and Suffolk Coastal. Ipswich contains the highest proportion of properties in Council Tax Band A (30.9%) i.e. the lowest valued properties – this is higher than the average for England & Wales (24.7%) and probably reflects its relatively higher proportion of terraced and social rented properties. However, the remaining three study area Councils have a lower than average proportion of properties in Band A.
- Overall housing density in the study area, at 1.7 people per hectare, was below the national average of 3.5 people per hectare reflecting the County's predominately rural character. However, the population density of Ipswich is much higher at 29.7 persons per hectare.
- By 2001 the level of owner-occupation in the study area was at 72.7 % compared to the national average of 68.9% whilst the proportion of social rented properties within the study area was much lower than the national average at 15.1% compared with 19.2% nationally. Again, there were substantial differences between Ipswich which contains around the national average of social rented housing at 15.3% while the three rural council areas contain much lower proportions. This suggests that Ipswich has a higher proportion of properties suitable for households in housing need although such a large social rented sector means that it incurs a greater responsibility to ensure that its properties meet the Decent Homes standard.
- The average size of housing in the study area (5.7 rooms) is higher than both the regional (5.4) and national (5.2) averages.
- Around 10% of all private sector properties in the study area would fail the government standard for energy performance.
- Over 6,500 households in the study area were considered as overcrowded, i.e. they had too few rooms for the size of the household. This represents 3.9 % of all households.
- There were just 6,389 people in the study area living in 303 communal establishments, representing 1.5% of all residents in the study area. The largest proportion of communal residents live in either nursing or residential homes.

- A number of factors combine to underline the distinctiveness of parts of the study area – especially Ipswich and Suffolk Coastal district. Further urban / rural distinctions in the study area are highlighted in Chapter 12, with stakeholder perceptions and experiences of these raised in Chapter 3 and Appendix A2. The policy context is provided in chapter 4.

7. The active housing market

The purpose of this chapter is to explain:

- How house prices and rents have changed
- What affordability trends look like in the study area
- Turnover and other characteristics of the stock

It corresponds to Stage 3.3 of the Strategic Housing Market Assessment Practice Guidance.

Stage 3.3 The active market

Introduction

- 7.1 Demand for housing is a response to the combination of factors that have been discussed in the previous chapters i.e. social and economic factors and the current levels and nature of housing stock. This chapter aims to look at how housing demand may lead to pressure in housing markets.
- 7.2 The chapter will first analyse changes in the costs of buying and renting a property across the study area, before identifying the entry-level cost for market housing and the implied gaps across the housing market. The chapter will then use information on local income levels to assess the affordability of market housing in the study area as a whole and each individual authority.
- 7.3 The final sections of this chapter consider other evidence for housing market pressure including the incidence of overcrowding, the level of vacancies and the turnover rate.
- 7.4 The data can be supplemented with knowledge from partnership members, developers and estate agents. If low demand in parts of the study area is identified, the partnership may wish to undertake further research.

Step 3.2.1 The cost of buying or renting a property

Overall price of home ownership

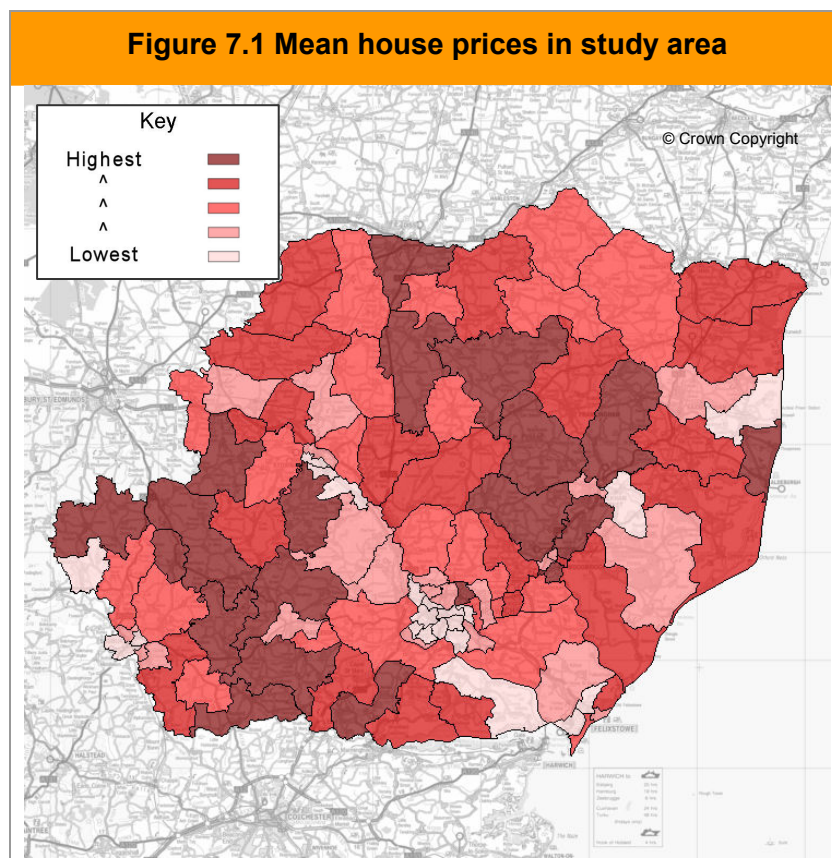
- 7.5 The table below shows price levels in the study area and other areas (drawn from Land Registry data for the second quarter of 2007). The data shows that price levels in the study area are slightly lower than the average for England and Wales, but higher than the average for the East Anglia region.

Table 7.1 Land Registry average prices (2nd quarter 2007)

Area	Average price	As % of England & Wales
Ipswich	£157,048	72.6%
Babergh	£223,804	103.5%
Mid Suffolk	£216,832	100.3%
Suffolk Coastal	£229,675	106.2%
Study area	£203,714	94.2%
Colchester	£202,473	93.62%
Chelmsford	£259,451	119.97%
East Anglia	£198,200	91.6%
England & Wales	£216,272	100.0%

Source: Land Registry

- 7.6 Within the study area it is clear that there is some variation in prices with Ipswich standing out as having an average price much lower than any of the other areas. The average price in Ipswich of £157,048 is almost £60,000 less than the next lowest area (Mid Suffolk). The highest prices were found in Suffolk Coastal at £229,675. This correlates with information provided by stakeholders and our market survey. Also, as discussed in earlier chapters, the profile of the dwelling stock in Ipswich is distinctly different to its more rural neighbours.
- 7.7 The map below provides further detail on the geographical variation of house prices across the study area, by presenting average house prices across the study area. The figures show that the highest mean house prices are in Babergh and the west of Suffolk Coastal.



- 7.8 The Table 7.2 shows house prices in adjacent counties and the three Suffolk districts not taking part in this SHMA (Forest Heath, St. Edmundsbury and Waveney) during the second quarter of 2007. Generally, house prices vary widely throughout each County although some clear patterns emerge. Referring to the three Suffolk districts first, it is apparent that there is some variation with house prices in St. Edmundsbury at around the national average whilst house prices in Forest Heath and Waveney, similar to Ipswich, are well below the national average. Looking north of the study area, house prices in Norfolk tend to be below the national average, possibly reflecting the relative lack of services and employment opportunities in these areas. Conversely, house prices in South Norfolk are slightly above the national average although there is no clear evidence as to why this is the case.
- 7.9 One of the widest variations occurs in Cambridgeshire where house prices range from only 69.06% of the national average in Fenland to 133.48% in Cambridge. It is likely that such disparity can be explained by the differing employment and educational opportunities offered by both areas. However, the widest variation in house prices occurs in Essex. Unsurprisingly, house prices within this County tend to be highest in districts which are closest to London e.g. Epping Forest and lowest in districts which are furthest from London e.g. Tendring.

7.10 In summary, house prices both within the study area and in adjacent counties vary widely, although in general terms, house prices in areas closer to London e.g. Epping Forest or in areas of high demand e.g. Cambridge - tend to be higher.

Table 7.2 Land Registry average prices (2nd quarter 2007) (Adjacent Areas)

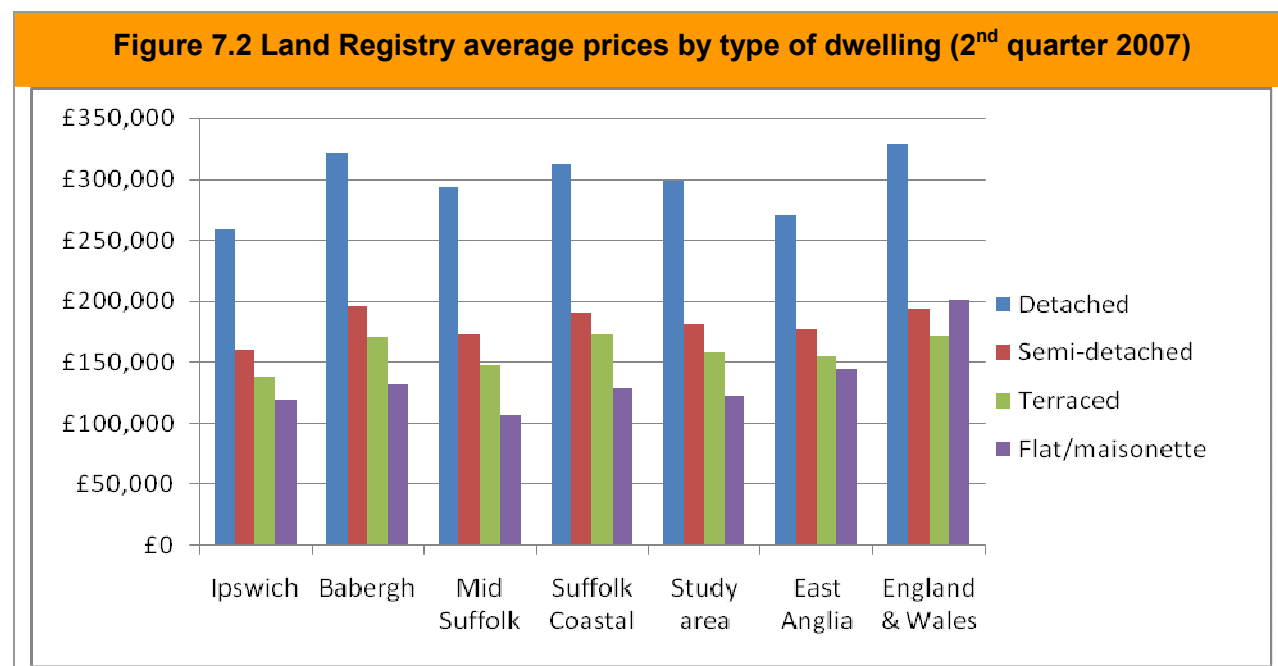
Area	County	Average price	As % of England & Wales
Fenland	Cambridgeshire	£149,357	69.06%
Huntingdonshire	Cambridgeshire	£200,483	92.70%
Cambridge	Cambridgeshire	£288,683	133.48%
East Cambridgeshire	Cambridgeshire	£216,111	99.93%
South Cambridgeshire	Cambridgeshire	£270,378	125.02%
Basildon	Essex	£212,767	98.38%
Braintree	Essex	£214,830	99.33%
Brentwood	Essex	£337,777	156.18%
Castle Point	Essex	£213,441	98.69%
Chelmsford	Essex	£259,451	119.97%
Colchester	Essex	£202,473	93.62%
Epping Forest	Essex	£333,056	154.00%
Harlow	Essex	£181,753	84.04%
Maldon	Essex	£236,199	109.21%
Rochford	Essex	£237,195	109.67%
Tendring	Essex	£181,446	83.90%
Uttlesford	Essex	£290,604	134.37%
Breckland	Norfolk	£185,109	85.59%
Broadland	Norfolk	£205,263	94.91%
Great Yarmouth	Norfolk	£154,404	71.39%
King's Lynn & West Norfolk	Norfolk	£184,375	85.25%
North Norfolk	Norfolk	£202,557	93.66%
Norwich	Norfolk	£178,853	82.70%
South Norfolk	Norfolk	£220,844	102.11%
Forest Heath	Suffolk	£183,775	84.97%
St. Edmundsbury	Suffolk	£218,280	100.93%
Waveney	Suffolk	£165,048	76.32%

Purchase prices by property type

7.11 In addition to providing information about overall prices the Land Registry provides a wealth of data about the types of properties sold. The figure below shows average property prices for the study area plus the individual districts and benchmark areas for each dwelling type using Land Registry data.

7.12 The figure below shows that property prices for all dwelling types in the study area are above those for East Anglia, with the exception of flats/maisonettes. Property prices for all property types are below the equivalent figures for England and Wales as a whole.

7.13 Within the study area the data shows that Suffolk Coastal has the highest average price for detached and terraced houses, whilst Babergh has the highest average price for semi-detached houses and flats/maisonettes. Ipswich records the lowest average price for all property types with the exception of flats/maisonettes, which are cheapest in Mid Suffolk. It is worth noting that there were relatively few sales of flats/maisonettes in Mid Suffolk over this period.

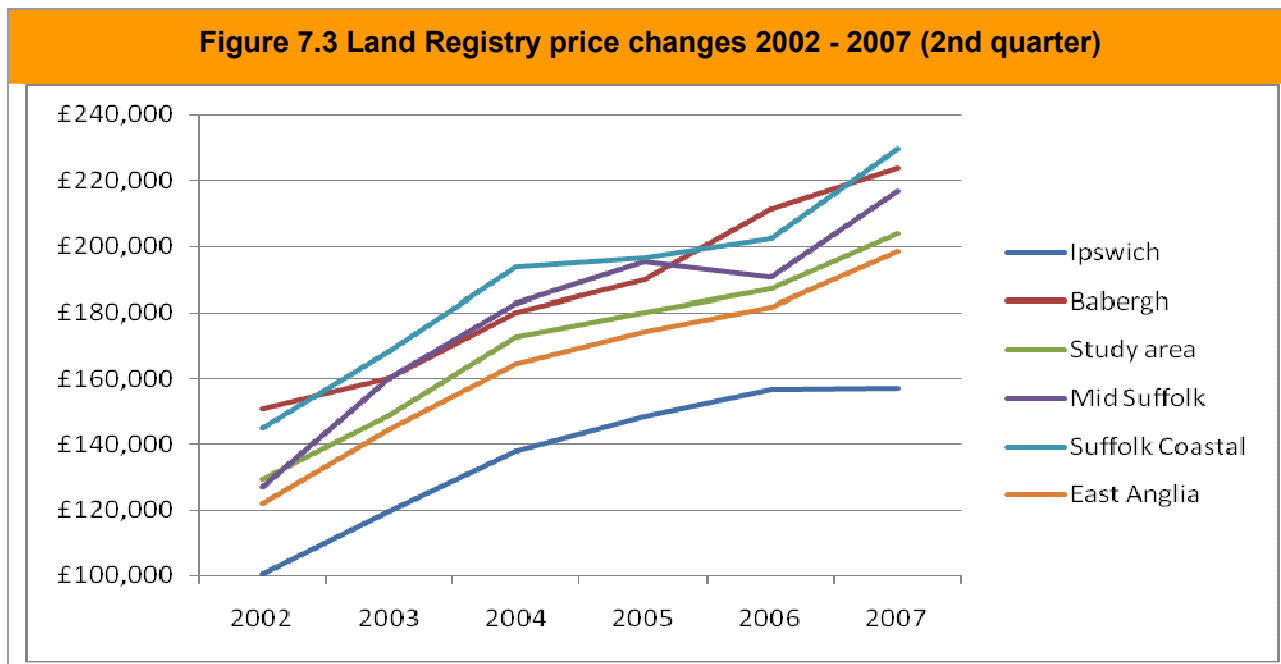


Source: Land Registry 2007

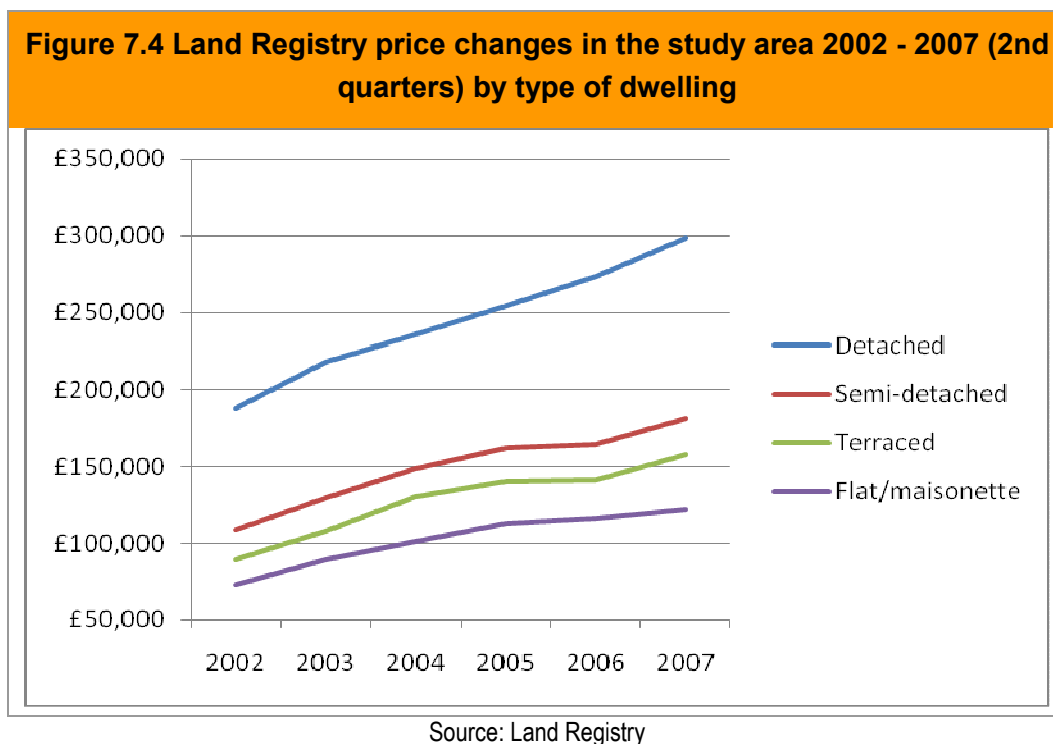
Trends in purchase prices

7.14 The figure below shows overall price change since 2002 in the study area and other areas. The data shows significant price increase in all areas studied. Overall between 2002 and 2007, the average property price in the study area rose by 57.3%, this is slightly lower than the increase experienced in East Anglia (62.4%) and England and Wales as a whole (62.3%).

7.15 Within the study area the data shows that the highest rises have been in Mid Suffolk (70.8%) and Suffolk Coastal (58.6%), with the lowest rises in Babergh (48.5%) and Ipswich (56.3%). In absolute terms the average property price in the study area rose by around £74,000; this is lower than the comparable figure for England & Wales (£83,000) and East Anglia (£76,000). Price rises in absolute terms within the study area vary considerably, ranging from £57,000 in Ipswich to £90,000 in Mid Suffolk.



7.16 The figure below shows price changes in the study area for each dwelling type from 2002 to 2007 (second quarters). The figure shows steady increases for all types of dwellings over the period. Overall the average price in the study area has increased by 57.3%; however, terraced houses have increased by 77.6% and detached houses increased by 58.6%.



- 7.17 Our market survey revealed some interesting trends not apparent from the above data. The following information must be considered in context. Firstly, the market survey was undertaken during January which is usually a low point in the market. Secondly, the economic circumstances were not favourable. Lenders were beginning to exercise caution as the Northern Rock crisis was unfolding.
- 7.18 It was clear that parts of the apartment market were seeing significant reductions in price, if second-hand. Agents reported on-going interest from investors and professionals working in Ipswich who were getting a 'good deal'. New apartments were slow to sell even with exceptional incentives – up to £20,000. 90% of one new development had been sold off-plan to investors. The sales staff would not reveal the discount that these investors had received.
- 7.19 The market survey revealed that prices were less affected for other parts of the market suggesting that there is an oversupply of apartments. A further implication of this was that RSLs were reporting difficulty in selling shared ownership properties in Ipswich.
- 7.20 It is also interesting to note that with reference to the following section, newbuild apartments were at or around entry level prices of second-hand housing.

Entry-Level purchase prices

- 7.21 Identifying the cost of entry-level market housing is crucial for assessing the ability of households to afford in the study area. The Guidance indicates that entry-level prices should be approximated by lowest quartile prices. The most recent lower quartile property prices available from the Land Registry are from 2006. The table below presents these price estimates for the study area and other areas.

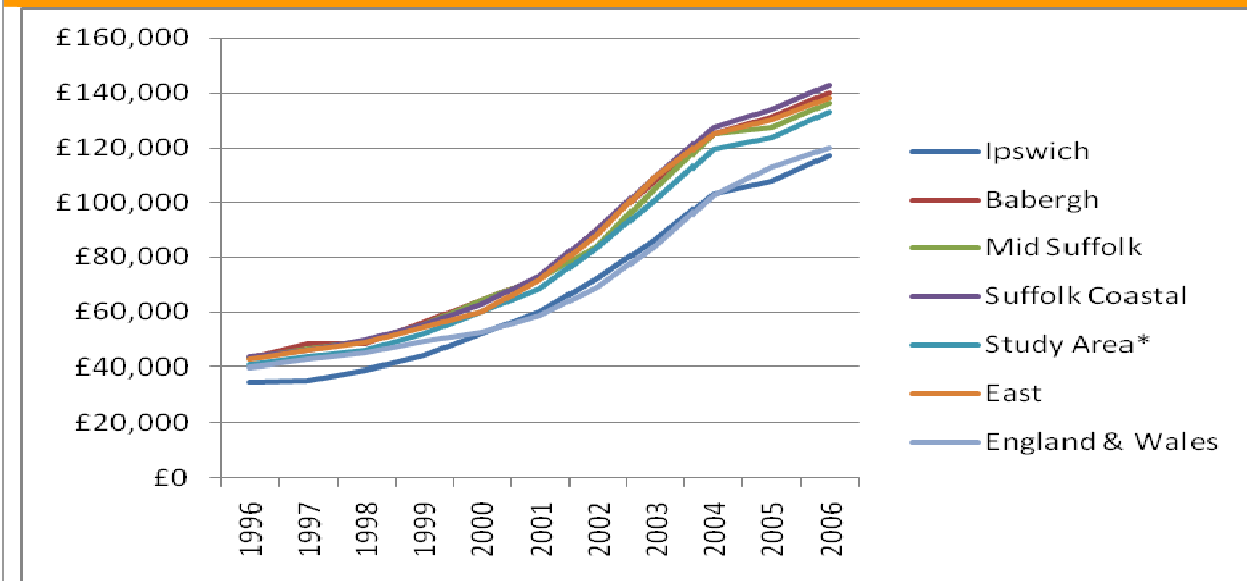
Table 7.3 Land Registry lower quartile prices (2006)		
Area	Lower quartile price	As % of England & Wales
Ipswich	£116,850	97.4%
Babergh	£140,000	116.7%
Mid Suffolk	£136,350	113.6%
Suffolk Coastal	£142,950	119.1%
Study area	£133,218*	111.0%
East	£138,000	115.0%
England & Wales	£120,000	100.0%

*Mean of the lower quartile price recorded in individual authority areas adjusted for number of sales in each area

Source: Land Registry

- 7.22 The data shows that entry level prices in the study area are 11% higher than the equivalent for England and Wales but lower than the figure for the East of England region. Within the study area, Suffolk Coastal records the highest entry level price and Ipswich the lowest. In all authorities except Ipswich the cost of entry-level accommodation is greater than the average cost of a flat/maisonette.
- 7.23 The figure below shows how lower quartile prices changed in the ten year period of 1996 to 2006 in the study area and other areas. Overall between 1996 and 2006, the lower quartile property price in the study area rose by 224.2%, this is close to the increase experienced in the East as a whole (222.8%) and higher than the figure for England and Wales (200.0%). Within the study area the data shows that there is little difference in the rate of lower quartile house price growth between the four authorities. The figures recorded are 233.9% in Ipswich, 228.6% in Suffolk Coastal, 225.6% in Babergh and 217.1% in Mid Suffolk.
- 7.24 In absolute terms the lower quartile property price in the study area rose by around £92,000; this is higher than the comparable figure for England and Wales (£83,000) but lower than that for the East (£95,000). Lower quartile price rises in absolute terms within the study area vary from £82,000 in Ipswich to £99,000 in Suffolk Coastal.

Figure 7.5 Land Registry lower quartile price changes 1996 - 2006



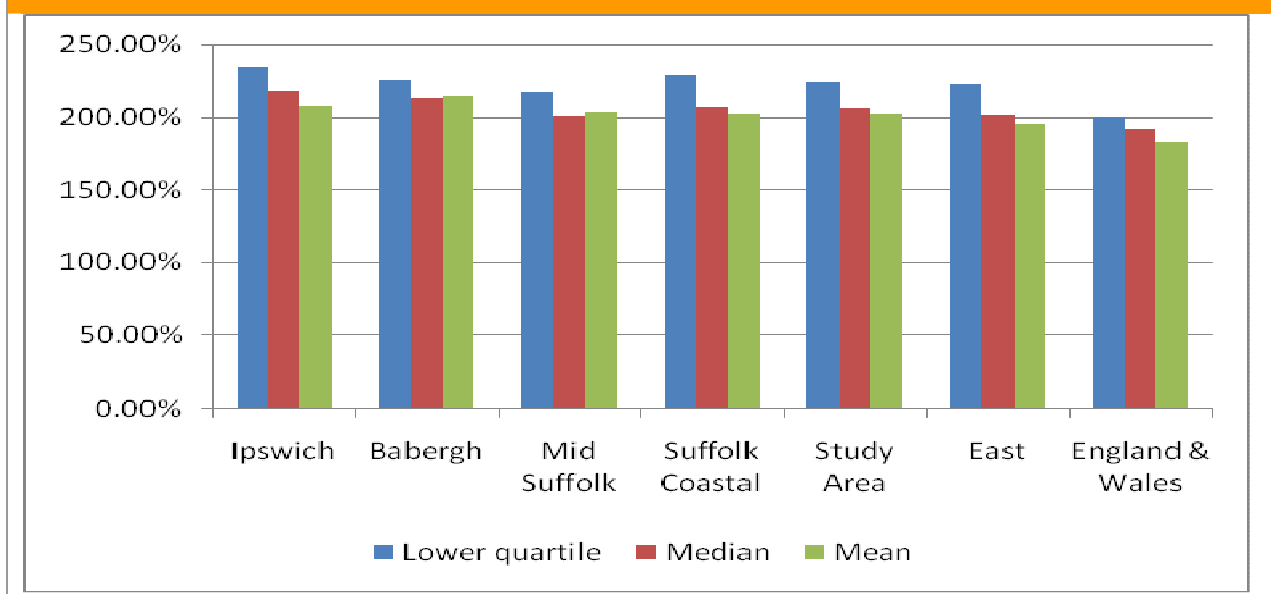
*Mean of the lower quartile price recorded in individual authority areas adjusted for number of sales in each area

Source: Land Registry

- 7.25 In order to assess the relative market pressure on first-time buyers, the Guidance recommends that the changes recorded in the cost of lower quartile prices be compared to the change recorded in median and mean property prices. If the rate of increase in lower quartile prices is markedly higher than that recorded for mean or median prices then potential first-time buyers are likely to be the most affected by rising purchase prices.

- 7.26 The figure below compares the rate of increase recorded for lower quartile, median and mean prices over the ten year period 1996 to 2006 for the study area, its constituent authorities, the East region and England and Wales. It shows that in all areas the rate of increase in lower quartile prices is greater than that recorded for median and mean prices. The figure suggests that whilst potential first-time buyers are likely to find the ability to afford home ownership particularly difficult in all areas, this is likely to be most acute in Suffolk Coastal which displays the largest difference between the increase in lower quartile and median prices.
- 7.27 That said, affordability is a function of income as well as prices and this is explored in later chapters. It should be again noted that the apartment market is currently offering exceptional opportunities for first-time buyers who are for whatever reason not coming forward in sufficient numbers to maintain prices at the asking levels. The absence of more quantitative data on the types of properties being purchased by first-time buyers at what costs suggests the need for further research, perhaps in the form of housing needs surveys.

Figure 7.6 Change in lower quartile, median and mean property prices between 1996 and 2006



*Mean of the prices recorded in individual authority areas adjusted for number of sales in each area

Source: Land Registry

- 7.28 Perhaps unsurprisingly, many of the comments elicited during the stakeholder process (as discussed in Appendix 2) referred to a lack of affordable housing within the study area. It was noted that the current adverse economic conditions may impact on the supply of affordable housing. It was agreed by stakeholders that the main reason for the current downturn in the housing market was decreased liquidity i.e. people have less access to financial products such as mortgages and loans. However, although house prices have decreased, the cost of buying a house has not. People purchasing a property may now need a larger deposit - a return to the financial conditions related to mortgages around 20 years ago.
- 7.29 It was also noted by stakeholders that issues around the limited supply of affordable housing may impact on minimum wage earners that work in shops, hotels and restaurants since they cannot afford the housing market either. Similarly, there was concern that some Section 106 (S106) agreements (whereby developers are given permission to develop sites on condition that a proportion of the new housing they provide is affordable) may have to be renegotiated. One developer said that S106 agreements are likely to be honoured if there is a contract with the local authority whilst another developer was interested to know if the current adverse housing market would provide an opportunity to consider replacing S106 agreements with a land tax.

Overall cost of private renting

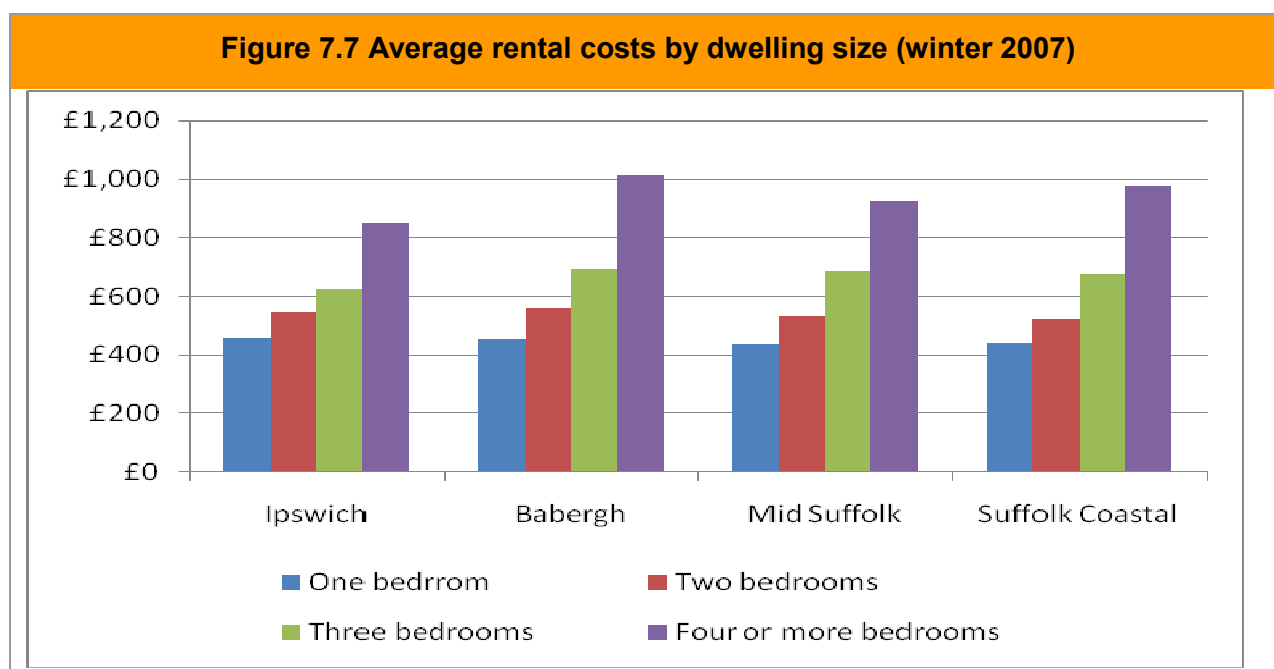
- 7.30 Whilst the Land Registry holds a complete record of all property sales, Practice Guidance acknowledges that there is no definitive source of information on market rents. Information on the cost of housing in this tenure for this report will be collected from two sources, local letting agents and the rent service, in line with Guidance. Information from the rent service will be used to understand trends in the local private rental market, whilst letting agent information will be used to establish the current cost of renting privately in the study area and the cost of entry-level rents.
- 7.31 Information on current private rental costs in the study area has been collected through an online survey of letting agent prices. The table below shows the average cost of private rents in each of the four constituent authorities of the study area. The table shows that Suffolk Coastal records the highest average rental cost followed by Babergh, with Ipswich recording the lowest average rental cost.

Table 7.4 Average private rental costs Winter 2007 (per month)	
Area	Average rent
Ipswich	£560
Babergh	£599
Mid Suffolk	£571
Suffolk Coastal	£603

Source: Online letting agent survey

Private rental costs by property size

7.32 The figure below shows average private rental costs for the four individual districts for each dwelling size (from the online letting agent survey). The figure below shows that Ipswich has the highest average rents for one bedroom properties, whilst Babergh records the highest average rents for two, three and four bedroom homes. There is no clear pattern across the study area as to which authority has the cheapest rental prices.

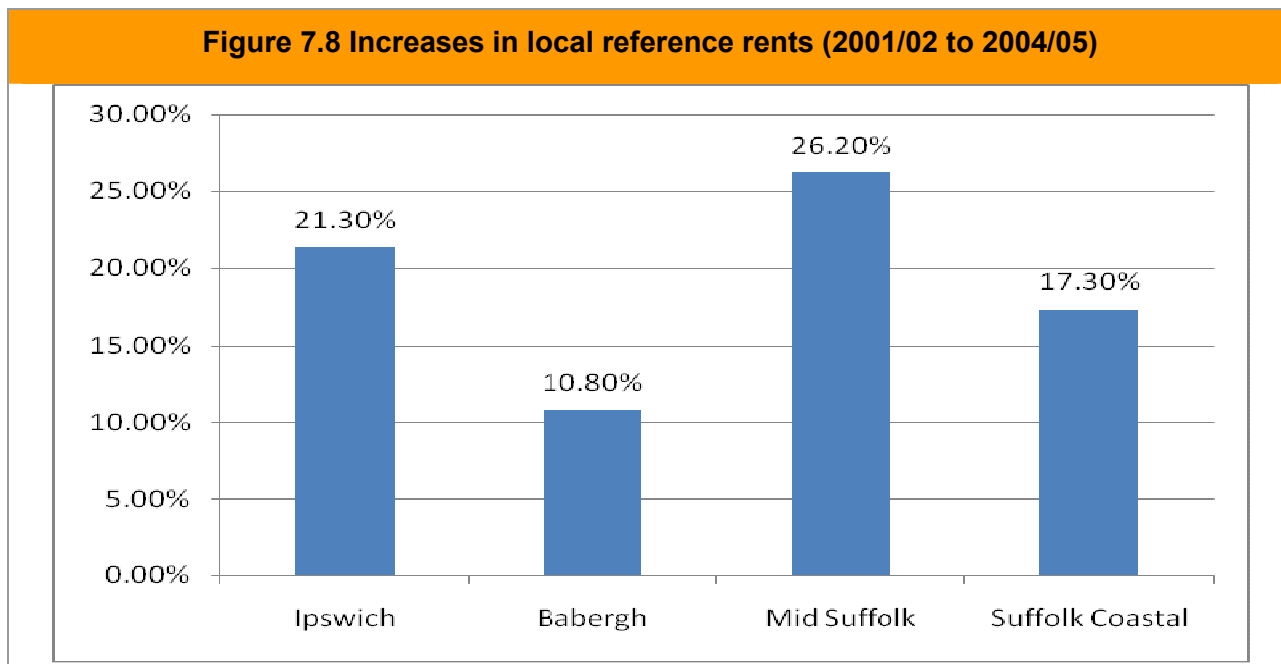


Source: Online letting agent survey

Trends in rental costs

7.33 The Rent Service collates data regarding households resident in the private rented sector on Housing Benefit across the country. One of the pieces of information obtained is the local reference rent. This is the cost generally paid to rent a property equivalent to that being let via Housing Benefit on the open market. The rent service has historical records of average local reference rents in each local authority for the period 2001/02 to 2004/05. Whilst these costs do not compare with overall average rental costs in an area they do provide an indication in the change in costs in the private rental market. The figure below shows the increase in average local reference rents in each district of the study area over this period.

7.34 The data shows that the highest rises over the four years have been in Mid Suffolk (26.2%) and Ipswich (21.3%) with the lowest rises in Babergh (10.8%) and Suffolk Coastal (17.3%).



Source: Rent service

Entry-level private rental costs

7.35 The cost of entry-level market rents can only be obtained via a letting agent survey. The Guidance indicates that entry-level rents should be approximated by lowest quartile prices. The table below presents these rent estimates for each authority. The table indicates that within the study area, Suffolk Coastal records the highest entry level rent and Mid Suffolk the lowest. In all authorities the cost of lower quartile accommodation is greater than the average cost of one bedroom private rented accommodation.

Table 7.5 Entry level rental costs winter 2007 (per month)

Area	Average rent
Ipswich	£495
Babergh	£510
Mid Suffolk	£485
Suffolk Coastal	£522

Source: Online letting agent survey

7.36 The market survey revealed a buoyant private rented sector at these prices. One agent said that there is considerable interest in property as soon as it hits the market. It should also be remembered that this market houses professional workers on short-term employment or rotations with large employers. The market is already gearing itself up for the growth in student households.

Overall cost of social rented property

- 7.37 The local authority stock was transferred to Registered Social Landlords' (RSLs) control almost ten years ago in Suffolk Coastal. In all other authorities there is currently social rented stock owned by both the Local Authority (LA) and RSLs. This section will present information on all social rented costs in the study area and so will include both LA and RSL costs in Babergh, Ipswich and Mid Suffolk and only RSL costs in Suffolk Coastal.
- 7.38 Information on current social rented costs in the study area has been collected from CLG as suggested by Guidance. The table below shows the average cost of RSL rents in each of the four constituent authorities of the study area. The table shows that Mid Suffolk records the highest overall average RSL rental cost with Ipswich recording the lowest.

Table 7.6 Average RSL rental costs 2007 (per week)	
Area	Average rent
Ipswich	£62
Babergh	£67
Mid Suffolk	£68
Suffolk Coastal	£64

Source: CLG

- 7.39 The table below shows the average cost of LA rents in each of the three authorities that still contain LA stock. The table shows that Babergh records the highest overall average LA rental cost.

Table 7.7 Average LA rental costs 2006 (per week)	
Area	Average rent
Ipswich	£55
Babergh	£61
Mid Suffolk	£56

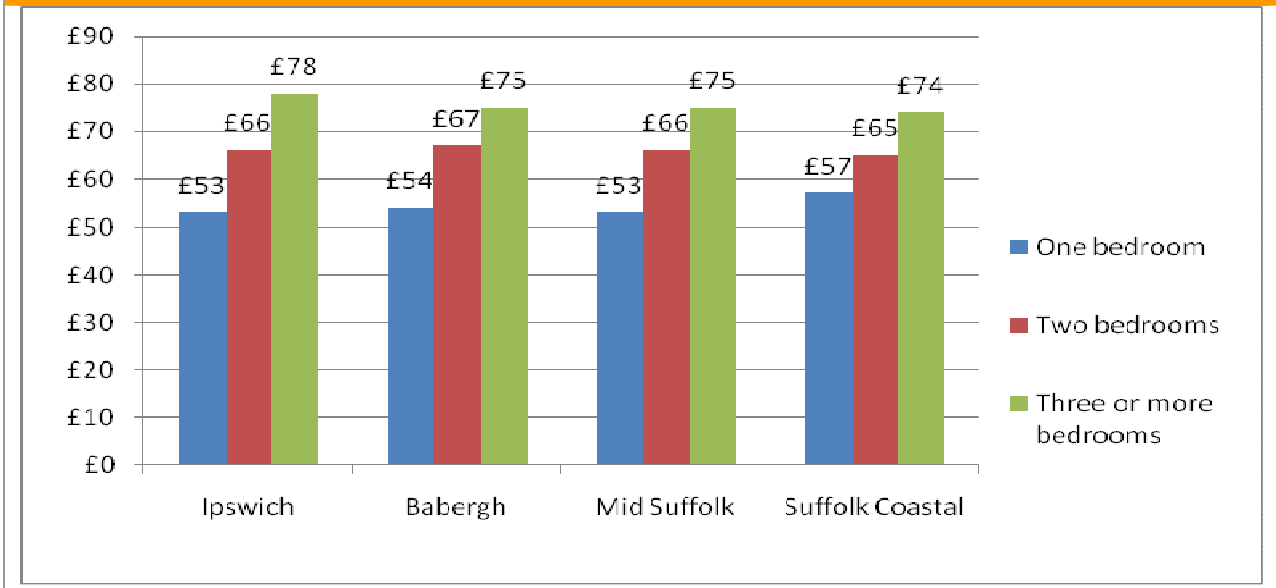
Source: CLG

N.B Suffolk Coastal transferred its housing stock to Suffolk Heritage Housing Association (SHHA) in May 1991

Social rents by property size

- 7.40 CORE data contains information on the cost of social rented lets by property size. The figure below show average RSL rents for each dwelling size; there is little difference between the rents recorded in each area.

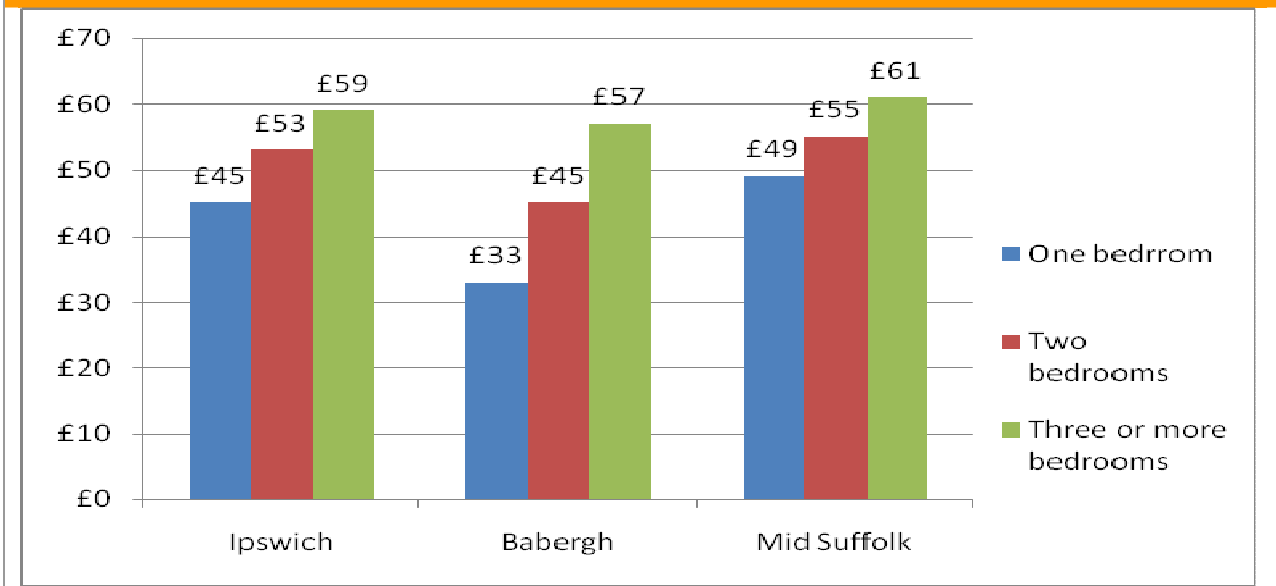
Figure 7.9 Average RSL rents by dwelling size (2007) (per week)



Source: CORE

7.41 The figure below shows average LA rents for each dwelling size for all authorities except Suffolk Coastal; LA rents in Mid Suffolk are slightly more expensive than the other two authorities.

Figure 7.10 Average LA rents by dwelling size (2007) (per week)

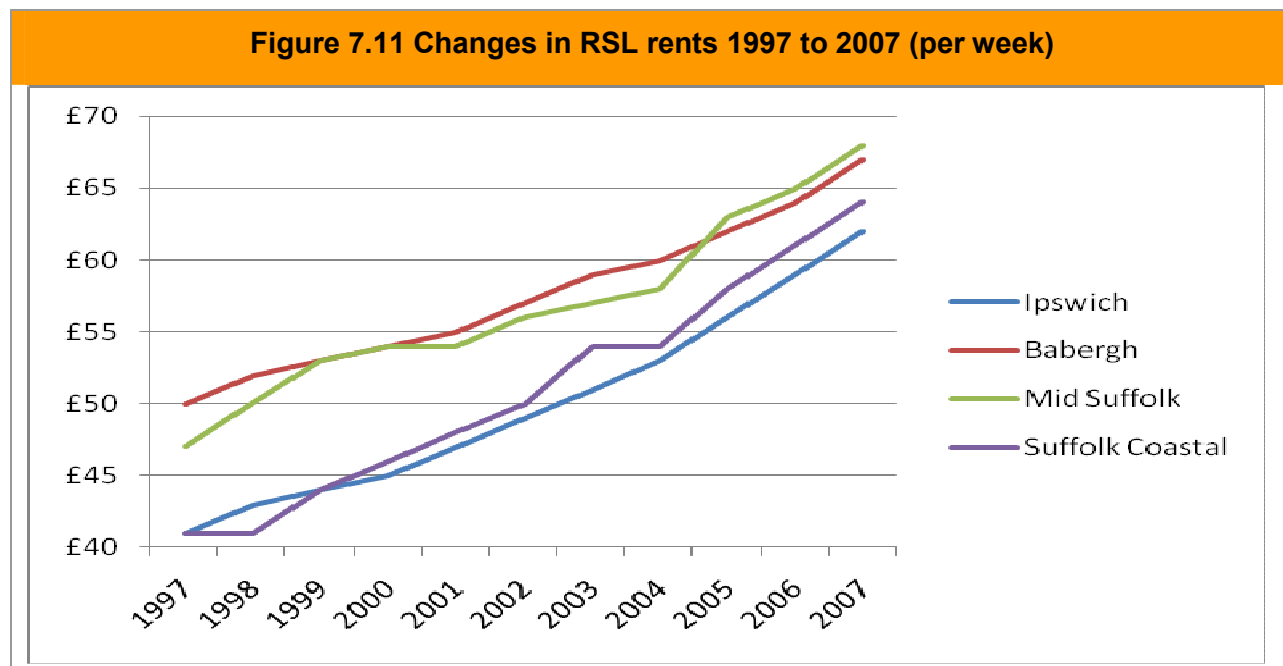


Source: CORE

N.B Suffolk Coastal transferred its housing stock to Suffolk Heritage Housing Association (SHHA) in May 1991

Trends in social rental costs

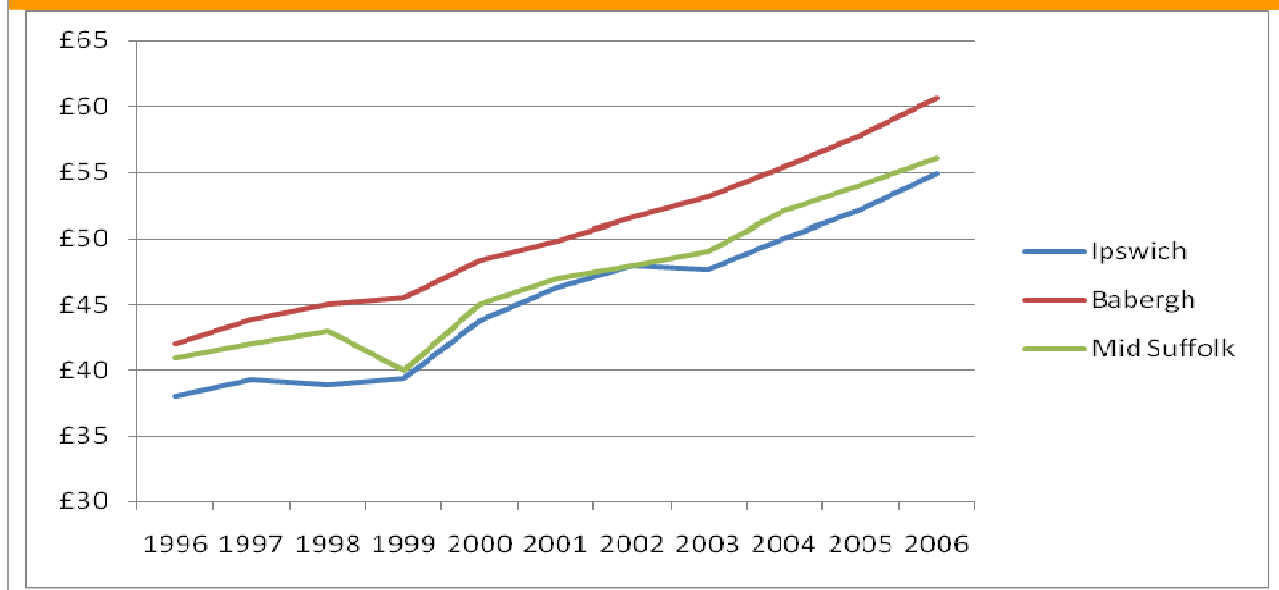
7.42 The figure below shows the changes recorded in RSL rent levels since 1997 in each of the four authority areas. The rate of increase in RSL rents for the years between 1997 and 2007 is 57.1% in Suffolk Coastal, 50.5% in Ipswich, 44.7% in Mid Suffolk and 32.1% in Babergh.



Source: CLG

7.43 The figure below shows the changes recorded in LA rent levels between 1996 and 2006 in Babergh, Ipswich and Mid Suffolk. The rate of increase in LA rents for the years between 1996 and 2006 is 44.1% in Babergh, 42.8% in Ipswich and 35.4% in Mid Suffolk.

Figure 7.12 Changes in LA rents 1996 to 2006 (per week)



Source: CLG

A comparison of housing costs by tenure

7.44 Guidance recommends that the costs of different tenures can be compared by converting house prices into weekly housing costs using information on prevailing interest rates. To enable a fair comparison it is also necessary to use a consistent date. As these housing costs will be compared against local incomes in the following section, and the most recent income information available at a local level in the study area is from 2006 it is appropriate to use 2006 as the base date. Information on all tenures with the exception of private rent is available for 2006. The average and entry-level private rental costs for 2006 can be calculated by assuming the annual rate of increase recorded in the sector in each authority area between 2001/02 and 2004/05 by the local reference rents was the same as the rate between 2006 and 2007 and reducing the 2007 costs by this annual rate.

7.45 The table below shows the weekly cost of each tenure for the four constituent districts. The table shows that at all levels other than social rent Suffolk Coastal and Babergh are the most expensive areas and Ipswich is the cheapest authority.

Table 7.8 Weekly costs of housing in the study area (2006)

Tenure	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal
LA rent	£55	£61	£56	-
RSL rent	£62	£67	£68	£64
Entry-level private rent	£108	£115	£105	£115
Mean private rent	£122	£134	£123	£133
Entry-level owner-occupation	£181	£217	£211	£222
Mean owner-occupation	£241	£344	£319	£332

Source: Land Registry, CLG, Online letting agent survey, rent service

Step 3.3.2 Affordability

- 7.46 Assessing the affordability of market housing in an area is crucial to understanding the sustainability of the housing market. Poor affordability can result in the loss of employees from an area, an increase in poverty, a high number of households requiring assistance with their housing either via a social rented property or through Housing Benefit. This can also result in a loss of mix and balance in the population within the area.
- 7.47 Housing affordability of an area is measured by the ratio of market housing costs to income in that area. The previous step identified the cost of entry-level market housing across the study area, whilst Chapter 4 presented the latest data on the earnings of people resident in the study area. These two pieces of information can be compared to assess local affordability within a regional context.

Affordability of entry-level owner-occupation

- 7.48 The Practice Guidance defines households as being able to afford to buy a home if it costs up to 3.5 times the gross household income for a single earner household or up to 2.9 times the gross household income for dual-income households. The only local information available on income levels is from the Annual Survey of Hours and Earnings (ASHE), which records the earned incomes of full-time employees resident in each local authority area. As the information is about the earnings of individuals the appropriate ratio to test for affordability is therefore 3.5.
- 7.49 The Practice Guidance notes that this affordability assessment described above should, where possible, consider the availability of any capital, such as savings and equity that could be used towards the cost of purchasing a home. However, it also acknowledges that there is a severe dearth of secondary data on savings and equity, which is also the case in the study area. Therefore within this chapter all affordability tests for owner-occupation will be based on income multiples only.
- 7.50 The Practice Guidance indicates that it is important to compare different points of the income distribution of an area with entry-level costs, to provide a complete overview of the affordability of market housing. This section will therefore compare lower quartile, median and mean incomes with entry-level prices.

7.51 The following table compares the ratio of entry-level (lower quartile) costs to lower quartile earnings. The table clearly shows that individuals earning the lower quartile income within the study area would not be able to afford entry-level owner-occupation costs without significant savings or equity, with entry-level prices almost eight times higher than lower quartile incomes in the study area. The table indicates that the affordability of owner-occupation in the study area for those on lower quartile incomes is slightly worse than that recorded for the East and noticeably worse than for England and Wales. Within the study area, Suffolk Coastal records the highest price/income ratio, and is therefore the least affordable authority, whilst Ipswich has the lowest ratio and is the most affordable.

Table 7.9 Ratio of entry-level purchase prices to lower quartile earnings (2006)			
Area	Entry-level price	Lower quartile earnings	Price/income ratio
Ipswich	£116,850	£15,689	7.45
Babergh	£140,000	£16,985	8.24
Mid Suffolk	£136,350	£17,927	7.61
Suffolk Coastal	£142,950	£16,645	8.59
Study area	£133,218	£16,701	7.98
East	£138,000	£17,374	7.94
England & Wales	£120,000	£16,645	7.21

Source: Land Registry/ ASHE 2006

7.52 The table below compares the ratio of entry-level (lower quartile) costs to median earnings. The table clearly shows that whilst the ratios are markedly lower than for those with lower quartile earnings, they are still greatly in excess of the 3.5 multiple required for a property to be considered affordable, in all areas. Broadly, the same pattern is recorded between the areas examined, although Babergh is the most expensive area.

Table 7.10 Ratio of entry-level purchase prices to median earnings (2006)			
Area	Entry-level price	Median earnings	Price/income ratio
Ipswich	£116,850	£22,194	5.26
Babergh	£140,000	£23,140	6.05
Mid Suffolk	£136,350	£22,840	5.97
Suffolk Coastal	£142,950	£25,084	5.70
Study area	£133,218	£23,342	5.71
East	£138,000	£24,756	5.57
England & Wales	£120,000	£23,604	5.08

Source: Land Registry/ ASHE 2006

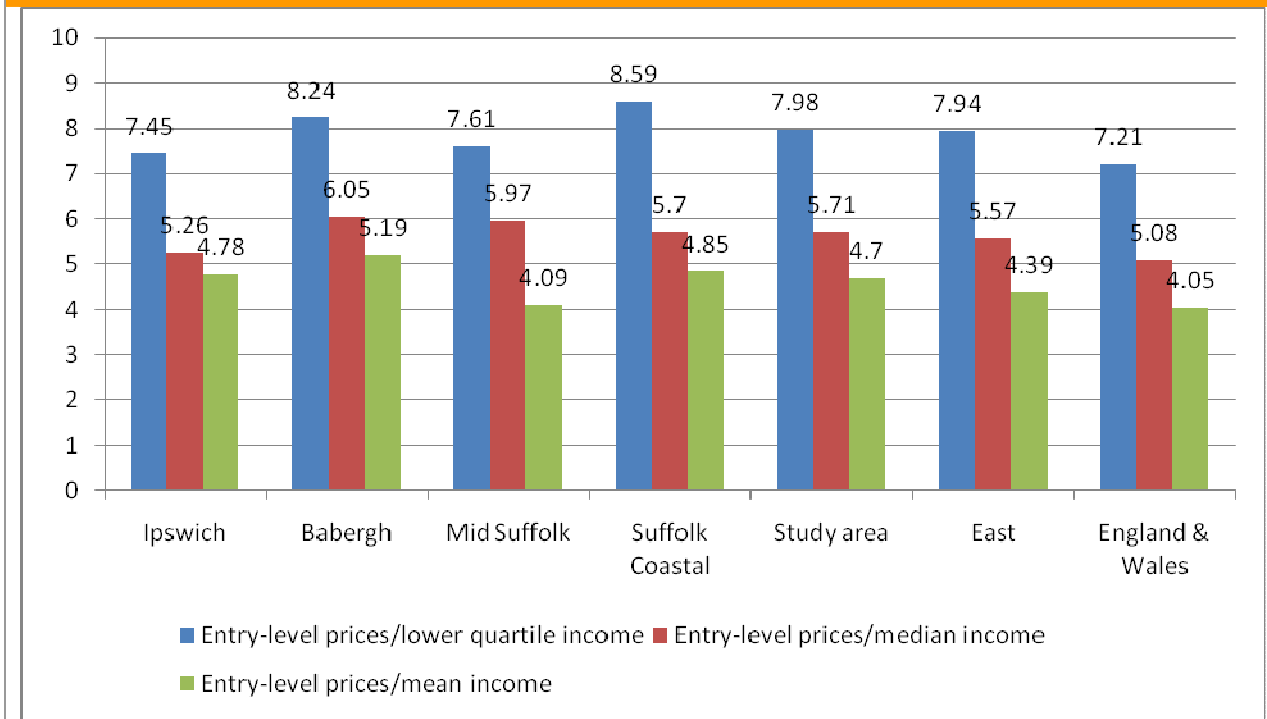
- 7.53 The table below compares the ratio of entry-level (lower quartile) costs to mean earnings. Again the ratios are in excess of the recommended 3.5 boundary in all areas, although they are much closer to this figure. The table indicates that the affordability of entry-level owner-occupation for those on mean incomes is the worst within the study area in Babergh, whilst for those with a mean income Mid Suffolk is the most affordable.

Table 7.11 Ratio of entry-level purchase prices to mean earnings (2006)			
Area	Entry-level price	Mean earnings	Price/income ratio
Ipswich	£116,850	£24,429	4.78
Babergh	£140,000	£26,954	5.19
Mid Suffolk	£136,350	£33,373	4.09
Suffolk Coastal	£142,950	£29,491	4.85
Study area	£133,218	£28,337	4.70
East	£138,000	£31,418	4.39
England & Wales	£120,000	£29,614	4.05

Source: Land Registry/ ASHE 2006

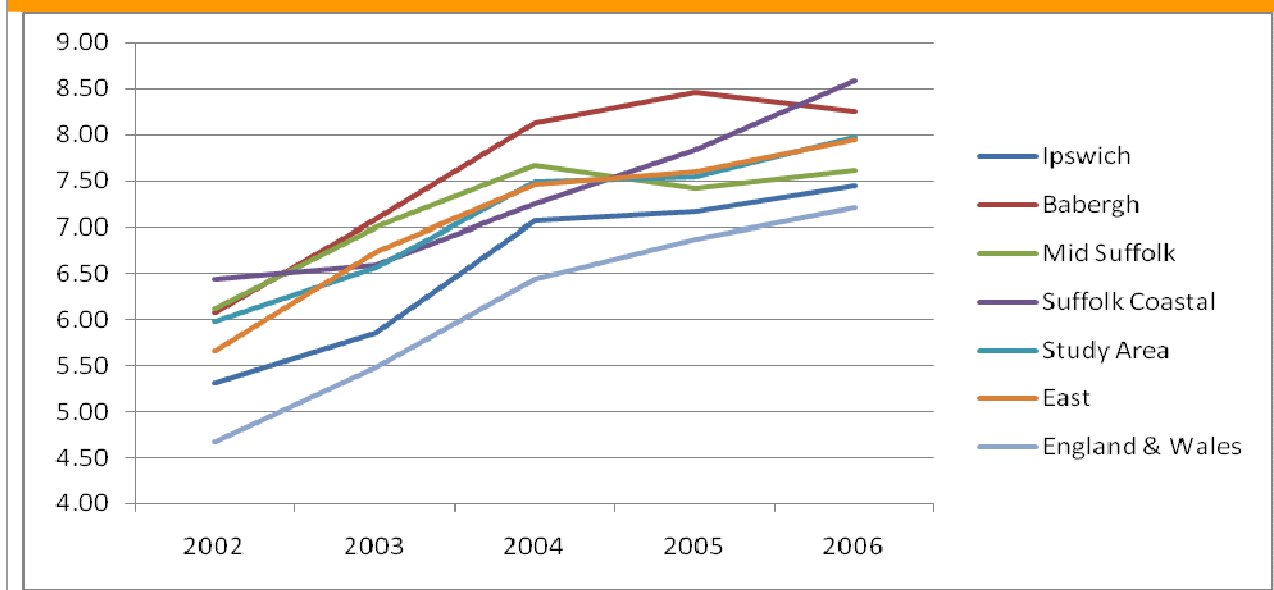
- 7.54 The figure below provides a comparison of the price/income ratios for the different points in the income distribution in each of the featured areas. The figure shows that Ipswich has the smallest difference between the affordability of those with a lower quartile income and those with a mean income, which means that this district has the most even income distribution.

Figure 7.13 Affordability ratios of entry-level owner-occupation for different points in the income distribution



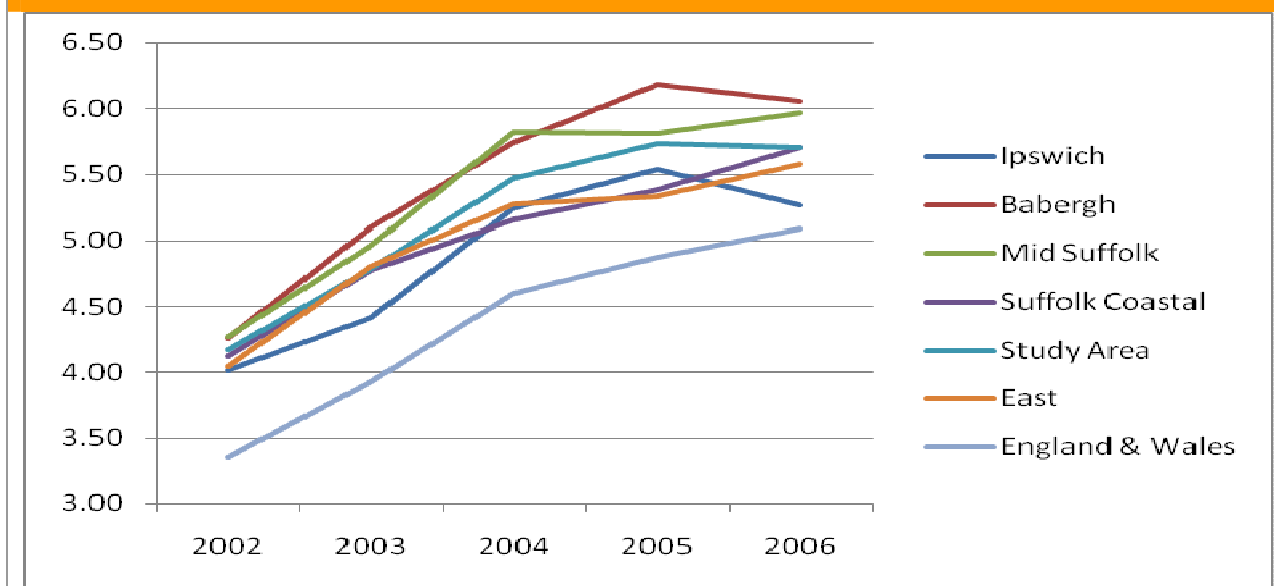
Source: Land Registry/ ASHE 2006

7.55 The Practice Guidance recommends that a time-series of these price/income ratios should be presented to show how affordability has changed and to provide an understanding as to the position of the market within the housing market cycle. The figure below shows the variation in the ratio of entry-level prices to lower quartile incomes in the study area, the constituent authorities, the East and England and Wales. The figure shows that other than in Mid Suffolk and Suffolk Coastal, the affordability of entry-level home ownership for those individuals earning a lower quartile income has gradually got worse since 2002.

Figure 7.14 Ratio of entry-level purchase prices to lower quartile earnings 2002 - 2006

Source: Land Registry/ ASHE

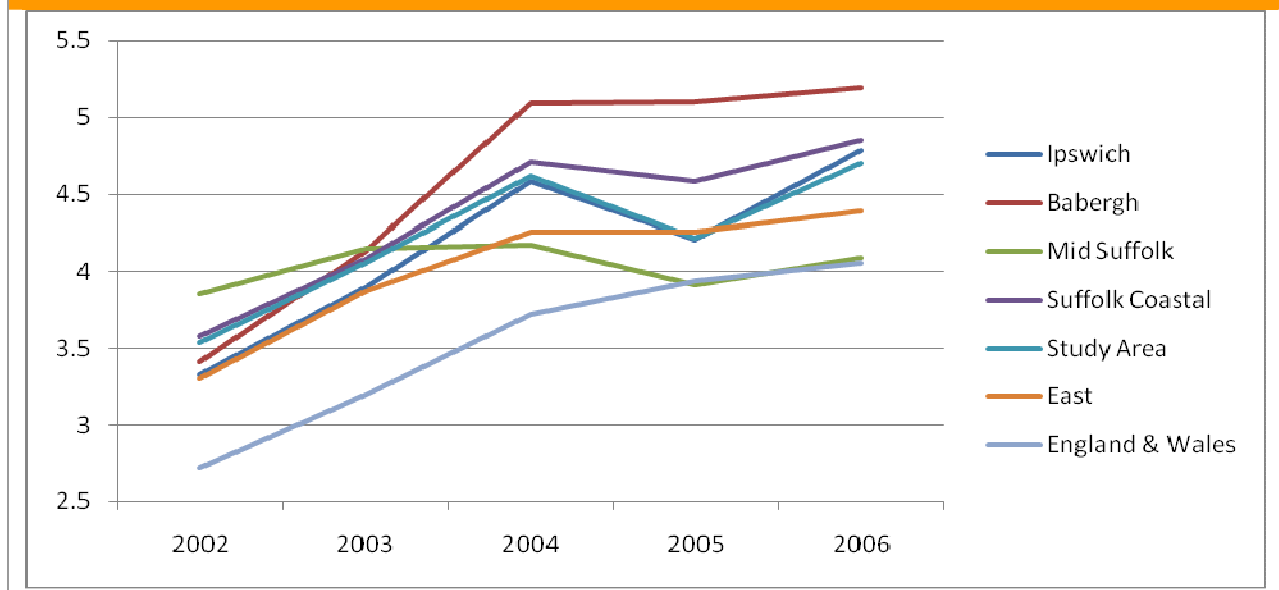
7.56 The figure below shows the variation in the ratio of entry-level prices to median incomes in the study area, the constituent authorities, the East and England and Wales. The figure shows a similar pattern in all featured areas; a gradual worsening of affordability for those earning a median income since 2002.

Figure 7.15 Ratio of entry-level purchase prices to median earnings 2002 - 2006

Source: Land Registry/ ASHE

7.57 The figure below shows the variation in the ratio of entry-level prices to mean incomes in the study area, the constituent authorities, the East and England and Wales.

Figure 7.16 Ratio of entry-level purchase prices to mean earnings 2002 - 2006



Source: Land Registry/ ASHE

Affordability of entry-level private rent

- 7.58 The Practice Guidance defines households as being able to afford to privately rent a home in cases where the rent payable would constitute no more than 25% of gross income. The affordability boundary for market rented accommodation is therefore 0.25.
- 7.59 As with the affordability assessment for owner-occupation, entry-level private rented costs identified in Step 3.1 will be compared to the earned incomes of full-time employees resident in each local authority area. There is no information on the average entry-level rental costs in the East region or for England & Wales, so the analysis will only consider the affordability ratios in the four authorities within the study area.
- 7.60 The following table compares the ratio of entry-level (lower quartile) rents to lower quartile earnings. The table clearly shows that individuals earning the lower quartile income within the study area would not be able to afford entry-level private rented costs in any of the four authorities, with all ratios over 0.25. The table indicates that the entry-level private rented accommodation in the study area for those on lower quartile incomes is least affordable in Suffolk Coastal and Ipswich, which records the highest ratio, and most affordable in Mid Suffolk.

Table 7.12 Ratio of entry-level private rents to lower quartile earnings (monthly) (2006)

Area	Entry-level cost	Lower quartile earnings	Price/income ratio
Ipswich	£469	£1,307	0.36
Babergh	£497	£1,415	0.35
Mid Suffolk	£453	£1,494	0.30
Suffolk Coastal	£499	£1,387	0.36

Source: Online letting agent survey / ASHE 2006

- 7.61 The table below compares the ratio of entry-level (lower quartile) costs to median earnings. The table clearly shows that the ratios are close to the threshold in all four areas, with Babergh being the only area in which the ratio is greater than 0.25.

Table 7.13 Ratio of entry-level private rents to median earnings (monthly) (2006)

Area	Entry-level cost	Median earnings	Price/income ratio
Ipswich	£469	£1,850	0.25
Babergh	£497	£1,928	0.26
Mid Suffolk	£453	£1,903	0.24
Suffolk Coastal	£499	£2,090	0.24

Source: Online letting agent survey / ASHE 2006

- 7.62 The table below compares the ratio of entry-level (lower quartile) costs to mean earnings. In all authorities the ratios are below the recommended 0.25 boundary and entry-level private rented accommodation is affordable to individuals on these incomes.

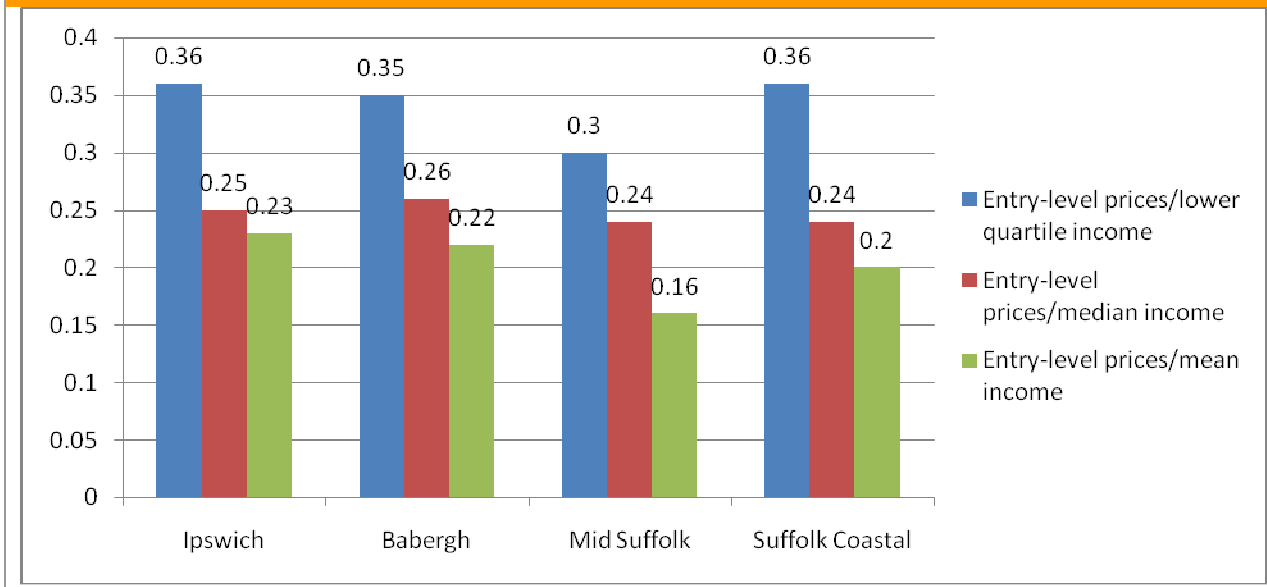
Table 7.14 Ratio of entry-level private rents to mean earnings (monthly) (2006)

Area	Entry-level cost	Mean earnings	Price/income ratio
Ipswich	£469	£2,036	0.23
Babergh	£497	£2,246	0.22
Mid Suffolk	£453	£2,781	0.16
Suffolk Coastal	£499	£2,458	0.20

Source: Online letting agent survey / ASHE 2006

- 7.63 The figure below provides a comparison of the cost/income ratios for the different points in the income distribution in each of the four authorities.

Figure 7.17 Affordability ratios of entry-level private rented accommodation for different points in the income distribution



Source: Online letting agent survey/ ASHE 2006

7.64 One of the reasons that entry-level private rented accommodation is so unaffordable to individuals in full-time employment is that the entry-level (lowest quartile) costs are usually two bedroom homes and many individuals would be aiming to rent a cheaper one bedroom home or move into a two bedroom home with someone else. The reason that the lowest quartile property is usually a two bedroom home is that turnover of one bedroom homes in the private rented stock accounts for less than a quarter of total turnover in the sector (i.e. one bedroom properties are priced below the lowest quartile value).

Fuel Poverty

7.65 One recent issue that may impact on housing affordability is that of fuel poverty. According to government figures, compared with a retail price index of 3.8% between March 2007 and March 2008, the cost of gas decreased by 1.4% whilst electricity increased by 5.2%, coal by 9.2%, petrol and oil 20.6% and heating oil by 51.7%¹⁹.

7.66 Fuel poverty is defined as when a household spends more than a tenth of its income on utility bills. According to the consumer group Energywatch, there are now about 4.4 million of these in the UK, with just over three million in England alone. One in six British households is living in fuel poverty, the highest for almost a decade, according to new figures that may undermine the Government's target to eradicate the problem in England by 2010.

¹⁹ BERR located at: <http://www.berr.gov.uk/energy/statistics/publications/prices/tables/page18125.html>

- 7.67 The energy regulator Ofgem states that the estimate of 4 million UK households living in fuel poverty in 2006 does not take into account the energy price rises announced during Spring 2008. According to government figures, the last time there were as many fuel-poor households was in 1999 when the figure was 4.5 million. Numbers then fell until about 2005, when fuel poverty started increasing again.
- 7.68 Although fuel poverty may affect households around the country it is more likely to impact on rural households which may have fewer energy and heating options than those located in urban areas. Consequently, all three rural study area councils have developed strategies or policy responses to the problem of fuel poverty.
- 7.69 Suffolk Coastal produced its fuel poverty strategy in August 2001. It has eight main objectives including:
- i) To identify which groups are affected by fuel poverty
 - ii) To identify why these specific groups are fuel poor
 - iii) To locate specific geographical areas where the occurrence of fuel poverty is likely to be high.
 - iv) To identify agencies who can help Suffolk Coastal District Council (SCDC) achieve its aims to eradicate fuel poverty
 - v) To develop a system whereby any home visitor, i.e. health professionals, voluntary workers and local government officers operate in a coherent way and refer cases of fuel poverty to SCDC for action.
 - vi) To conduct a pilot referral system
 - vii) To review the pilot referral system in conjunction with all agencies
 - viii) To implement a full referral system across the Suffolk Coastal district
- 7.70 Babergh's 2001 House Condition Survey identified that 22.1% of households are at risk of 'fuel poverty'. In 2001 the average annual fuel cost to Babergh households was £811 compared with the then national average of £694. As such it is working with the Western Suffolk Local Strategic Partnership to develop a scheme to address fuel poverty among older people, which would be of benefit to residents in both East and West Babergh.
- 7.71 According to Mid Suffolk's fuel poverty policy, the Council:
- Reports to the Department for Rural Affairs (DEFRA) annually to provide information on the current energy efficiency status of the district
 - Will process enquiries from residents of the district regarding advice and assistance with home insulation and heating in privately owned and rented accommodation
 - Will work with statutory partners (such as Warm Front) and the countywide Home Improvement Agency to refer the most vulnerable residents for fuel poverty financial assistance
 - Will provide energy efficiency grants to vulnerable citizens who meet qualifying criteria, for example disabled people and those over 60 years old

- Will work with Warm Front to 'top up' financial assistance for the provision of central heating in homes where the Warm Front grant is not sufficient to cover the costs of all work necessary
- Will work with the Energy Savings Trust, partner councils in the Suffolk Energy Action Link consortium, and renewables and insulation materials installers to promote energy efficiency measures that impact on fuel poverty
- Aims to provide 120 properties in the district per year with improved insulation through grant aid

7.72 According to Ipswich's Housing Strategy 2006-2009 2,955 households in Ipswich are in fuel poverty. This represents 6.8% of households in the Borough. This compares to a national figure of 11.7% and a regional figure of 8.6% households in the East of England as fuel poor. Dwellings in the private rented sector, the 'Central' sub-area and built before 1919 are most likely to contain households in fuel poverty. Single pensioners and vulnerable households are more likely than other households to be fuel poor. Consequently, the Council is planning to tackle fuel poverty in Ipswich's Town/Bridge area and extend this work to other parts of the Town.

Step 3.3.3 Overcrowding and under-occupation

7.73 Overcrowding can be a sign of 'un-affordability' of housing if households are forced to live in overcrowded conditions due to a lack of larger housing that is affordable to them. Levels of overcrowding and under-occupation also provide an indication to possible future household flows.

7.74 The most complete source of information about overcrowding at a local level is the 2001 Census. Although this is now rather out of date, it does provide us with the opportunity to compare the broad situation in the study area with other benchmark areas.

7.75 One drawback of the Census data is that it does not provide information against the generally accepted measure of overcrowding (the bedroom standard) instead using an occupancy rating which is based broadly on persons per room. The general method is that all households should have one common room and there should be one additional room for each household member. Therefore a five person household living in a five room dwelling would be considered as overcrowded (the method also means for example that all households living in bedsits or studio flats are automatically considered to be overcrowded).

7.76 The table below shows occupancy rating data for study area and benchmark areas. The data shows that households in the study area are generally less likely to be overcrowded (negative occupancy rating) when compared with both the East and England (3.9% of households have a negative occupancy rating compared with 5.2% across the region and 7.1% nationally). In addition, a significant proportion might be considered to be under-occupying (positive occupancy rating).

7.77 The table below also shows occupancy rating data for the individual districts within the study area. The data shows that the highest levels of overcrowding (by some margin) are found in Ipswich (6.2% of households). Ipswich also shows the lowest level of under-occupancy (at 76.3%); Suffolk Coastal has the highest level of under-occupancy at 85.4%.

Table 7.15 Occupancy rating in study area							
Occupancy rating	Area						
	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area	East	England
Occupancy rating of + 2 or more	52.5%	61.4%	61.6%	62.1%	59.0%	53.4%	49.1%
Occupancy rating of + 1	23.8%	23.7%	23.6%	23.3%	23.6%	25.1%	25.5%
Occupancy rating of 0	17.5%	12.0%	12.2%	11.5%	13.5%	16.4%	18.2%
Occupancy rating of -1 or less	6.2%	2.8%	2.5%	3.2%	3.9%	5.2%	7.1%
All Households	52.5%	61.4%	61.6%	62.1%	59.0%	53.4%	100.0%

Source: 2001 Census

7.78 In total, some 6,540 households in the study area were considered as overcrowded at the time of the Census. Further analysis will be presented on these households, as this is the group that is more likely to indicate a market imbalance (particularly as many households choose to live in an under-occupied home) and require the attention of policy makers.

Further detail on overcrowded households

7.79 The table below shows the ten wards in the study area with the highest proportions of overcrowded households. Eight of the ten wards with the largest proportions of households in overcrowded conditions were located in Ipswich. In the Alexandra ward of Ipswich, more than one in ten households was overcrowded, the highest proportion in the study area.

Table 7.16 Council wards with highest proportions of overcrowded households 2001				
District	Council Wards	Overcrowding Households		
		No.	%	
Ipswich	Alexandra	393	11.4%	
Ipswich	Westgate	350	9.7%	
Ipswich	Gipping	314	9.7%	
Ipswich	Bridge	256	8.1%	
Babergh	Sudbury South	149	7.8%	
Ipswich	Stoke Park	218	7.0%	
Ipswich	Gainsborough	210	6.2%	
Suffolk Coastal	Felixstowe South	118	6.2%	
Ipswich	Whitton	190	6.1%	
Ipswich	St Margaret's	194	6.0%	

Source: Census, 2001

7.80 The table below shows overcrowding by tenure in the study area and other associated areas. The data shows that overcrowding is relatively rare in the owner-occupied sector (1.7% of households overcrowded across the study area). In contrast it is estimated that 10.1% of households in the social rented sector and 8.9% in the private rented sector are overcrowded. Ipswich shows the highest levels of overcrowding in all tenure groups, with Mid Suffolk recording the lowest level of overcrowding in the each sector.

Table 7.17 Overcrowding by tenure (2001)				
Area	Owner-occupied	Social rented	Private rented	Total
Ipswich	2.2%	13.3%	14.5%	6.2%
Babergh	1.5%	7.4%	6.5%	2.8%
Mid Suffolk	1.4%	6.8%	5.2%	2.5%
Suffolk Coastal	1.6%	8.7%	7.1%	3.2%
Study area	1.7%	10.1%	8.9%	3.9%
East	2.6%	12.1%	12.2%	5.2%
England	3.3%	14.9%	16.4%	7.1%

Source: Census, 2001

7.81 The table below shows overcrowding by household type in the study area and other associated areas. The data shows that overcrowding is relatively rare in pensioner households (2.5% of households are overcrowded across the study area). In contrast it is estimated that 6.6% of lone parent households are overcrowded. Ipswich shows the highest levels of overcrowding in all household types. Mid Suffolk records the lowest level of overcrowding for all household types except pensioner households, which are least likely to be overcrowded in Babergh (see Chapter 10 for further discussion of overcrowding and BME groups).

Table 7.18 Overcrowding by household type (2001)					
Area	Pensioner	Adult(s) with no children	Lone parent	Two or more adults with children	Total
Ipswich	4.0%	6.1%	8.1%	6.9%	6.2%
Babergh	1.5%	2.4%	5.9%	3.3%	2.8%
Mid Suffolk	1.7%	1.7%	5.3%	3.0%	2.5%
Suffolk Coastal	2.2%	3.0%	5.6%	3.2%	3.2%
Study area	2.5%	3.5%	6.6%	4.2%	3.9%
South East	3.3%	4.3%	8.8%	5.7%	5.2%
England	1.5%	2.4%	5.9%	3.3%	2.8%

Source: Census, 2001

Step 3.3.4 Vacancies, available supply and turnover by tenure

7.82 The Practice Guidance indicates that an analysis of these three measures provide evidence of the flow of dwellings in an area.

Vacancies

7.83 Chapter 5 showed the total number of vacant properties in each authority (defined as being unoccupied for a period of six months or more). This analysis will consider the proportion of dwellings vacant in both the affordable and market sectors in each authority and then consider how the proportion of vacant dwellings has changed over time. The Guidance indicates that a vacancy rate of under 3% is considered normal in the social sector as this allows for transfers and for work on properties to be carried out. The latest national estimate available (from the 2006 HSSA) suggests that 3.3% of all private sector dwellings are vacant across England.

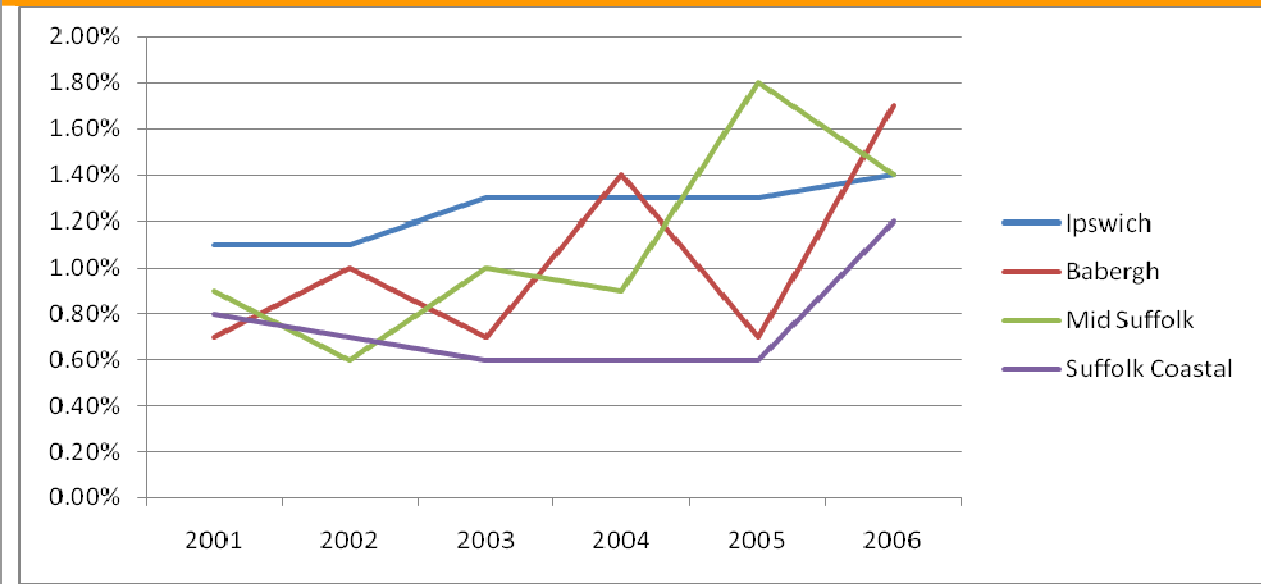
7.84 The table below shows the number and proportion of dwellings vacant in the social and market sectors in the four districts of the study area. The table shows that Babergh records the highest vacancy rate in the social sector, whilst Mid Suffolk records the highest vacancy rate in the market sector. All of the figures recorded in the social sector are however below the guideline level of 3%. The rate of vacant dwellings in the market sector in Ipswich and Mid Suffolk are above the national average of 3.3%, indicating that vacant dwellings may be an issue in these two authorities.

Table 7.19 Vacancy rates by broad tenure (2006)				
Area	Social housing		Market housing	
	Number of dwellings vacant	Proportion of dwellings vacant	Number of dwellings vacant	Proportion of dwellings vacant
Ipswich	179	1.4%	1,615	3.8%
Babergh	81	1.7%	1,086	3.3%
Mid Suffolk	62	1.4%	1,558	4.6%
Suffolk Coastal	76	1.2%	1,481	3.0%

Source: HSSA 2007

7.85 The figure below shows how the proportion of vacant dwellings in the social sector has changed in the four authorities over the last five years. The figure indicates that Suffolk Coastal has generally recorded the lowest level of vacant dwellings in the social sector over the last five years and there is no single authority that consistently has had the highest level of vacant dwellings in the social sector. None of the authorities have had a vacancy rate above the guideline 3% over the last five years.

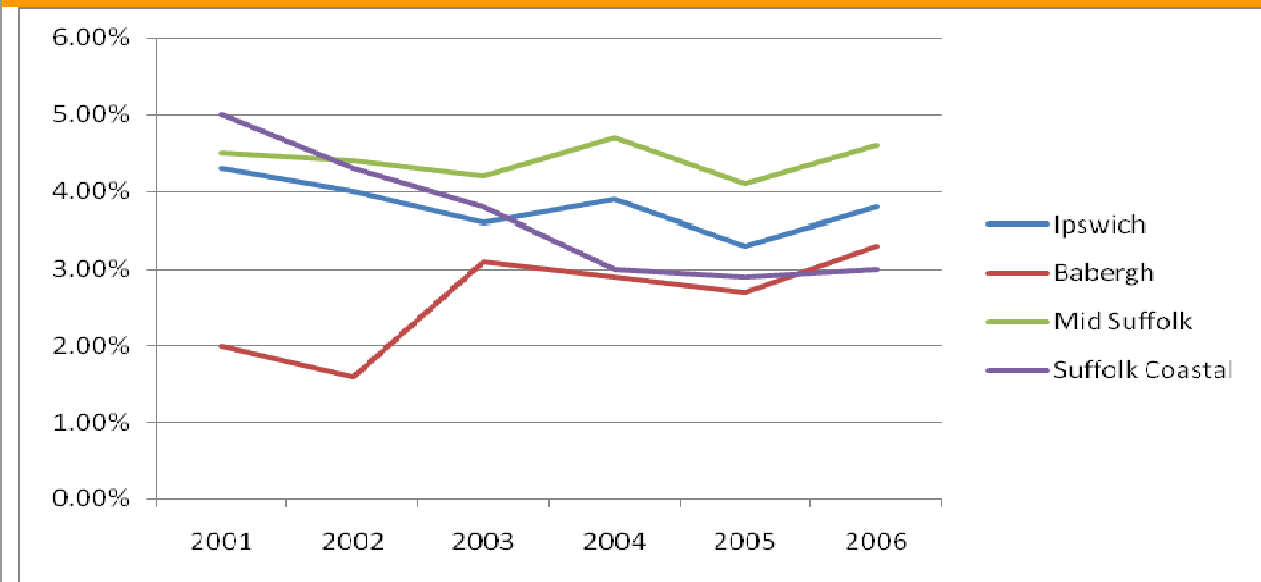
Figure 7.18 Proportion of all dwellings vacant in the social sector 2001 - 2006



Source: HSSA 2007

7.86 The figure below shows how the proportion of vacant dwellings in the private sector has changed in the four authorities over the last five years. The figure indicates that Babergh has generally recorded the lowest level of vacant dwellings in the private sector over the last five years. The level of fluctuation in the proportion of dwellings vacant in the private sector is greater than is recorded in the social rented sector.

Figure 7.19 Proportion of all dwellings vacant in the private sector 2001 - 2006



Source: HSSA 2007

7.87 In addition to a high proportion of vacant dwellings, a large number of difficult to let (defined as dwellings vacant for six months or more) and low demand dwellings can indicate problems in the housing market. The table below shows the number of hard to let and low demand dwellings recorded in the 2007 HSSA in each authority. The table shows that there are a fairly small number of difficult to let and low demand dwellings in the social sector in each authority.

Table 7.20 Incidence of difficult to let and low demand dwellings (2006)			
	Difficult to let social dwellings	Low demand social dwellings	Low demand market dwellings
Ipswich	158	94	0
Babergh	72	75	0
Mid Suffolk	12	0	#
Suffolk Coastal	29	28	0

#Cell not filled in on 2006 HSSA form

Source: HSSA 2007

Planned supply of market housing

7.88 In 2001, there were a total of 176,746 properties within the study area. However, as noted in Chapter 2, there are plans to build another 39,500 properties over the 20 years to 2021, split between 20,000 new homes in Ipswich (IPA area), 7,500 in Mid Suffolk, 7,000 in Suffolk Coastal and 5,000 in Babergh.

Turnover in the owner-occupied sector

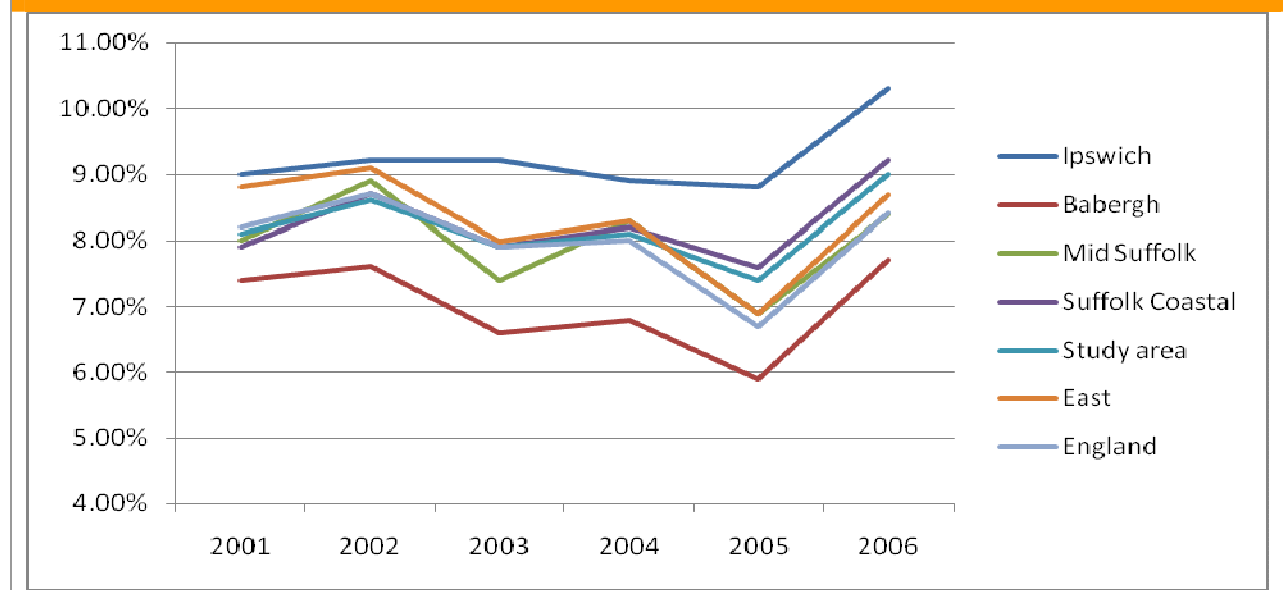
7.89 The 2001 Census is the most recent source of an accurate estimate of the owner-occupied stock at local authority level. However to consider the current rate of turnover in the sector and recent changes to this turnover rate it is necessary to model the probable change in the total size of the sector since 2001. To do this it is assumed that the size of the owner-occupied sector in each authority has increased by the same rate as has been recorded nationally for this tenure in the Survey of English Housing. The Survey of English Housing suggests that nationally the owner-occupied sector has increased by 2.36% between 2001 and 2006 or 0.47% per year.

7.90 The table below shows the number of property sales recorded (including both newbuild and second-hand housing) in 2006 from Land Registry data alongside the modelled estimate of the owner-occupied stock for this date and the derived turnover rate. The table shows that the turnover in the owner-occupied sector in the study area is higher than that recorded across the East and England as a whole. Within the study area, Ipswich displays the highest turnover rate and Babergh the lowest. One reason for Ipswich’s relatively large turnover may be the large number of new apartments built within the town over the last five years i.e. this type of property tends to attract large numbers of younger, professional people into the area. However, as confirmed by stakeholder interviews discussed in Chapter 3, turnover may decline as the Ipswich housing market has recently become saturated with apartments.

Table 7.21 Estimated owner-occupied stock turnover (2006)			
	Estimated size of owner-occupied stock	Number of sales of dwellings	Turnover
Ipswich	33,207	3,435	10.3%
Babergh	27,154	2,104	7.7%
Mid Suffolk	27,865	2,335	8.4%
Suffolk Coastal	37,592	3,455	9.2%
Study area	125,818	11,329	9.0%
East	1,661,368	144,583	8.7%
England	14,621,000	1,223,129	8.4%

Source: Land registry 2006, 2001 Census, Survey of English Housing

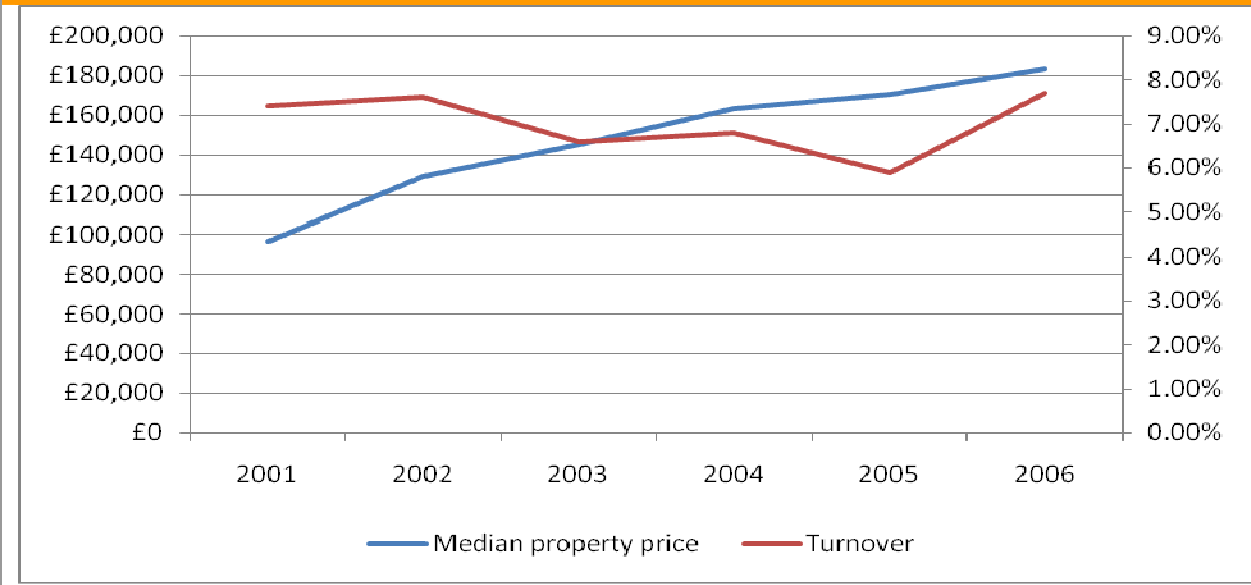
7.91 The figure below shows how the turnover in owner-occupied stock has changed in the four authorities over the last five years to 2006. The figure indicates that a similar trend is recorded in all featured areas and that the turnover generally declined between 2002 and 2005 and then increased in 2006. Ipswich has consistently recorded a higher owner-occupied turnover than the other districts in the study area.

Figure 7.20 Stock turnover in the owner-occupied sector 2001 - 2006

Source: Land registry 2006, 2001 Census, Survey of English Housing

- 7.92 The Guidance suggests that to better understand the implications of changes in turnover in the owner-occupied sector it is appropriate to compare them to changes in property prices. The figures below therefore compare changes in turnover in the owner-occupied sector to changes in median property prices between 2001 and 2006 in each authority separately.
- 7.93 The first figure presents these results for Babergh. It suggests that there is no clear correlation between turnover and median house price in the district, although a decrease in turnover between 2004 and 2005 appears to have slowed the rate of increase in median property prices.

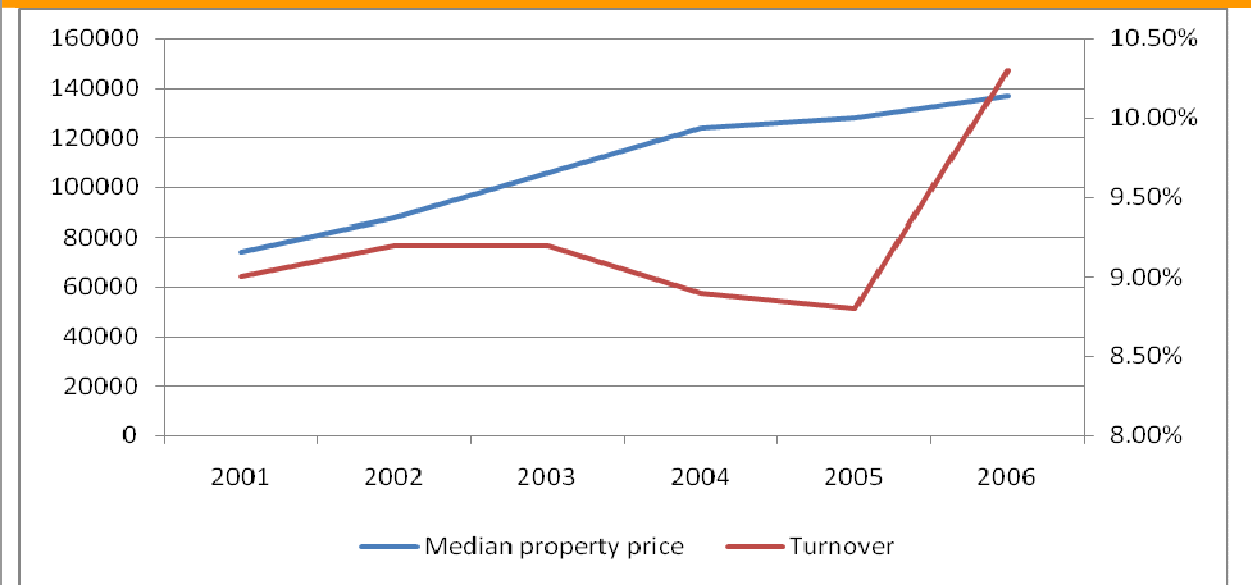
Figure 7.21 Comparison between median property prices and owner-occupied turnover in Babergh between 2001 - 2006



Source: Land registry 2006, 2001 Census, Survey of English Housing

7.94 The figure below presents the equivalent analysis for Ipswich. It suggests that there is no clear correlation between turnover and median house price in the Borough.

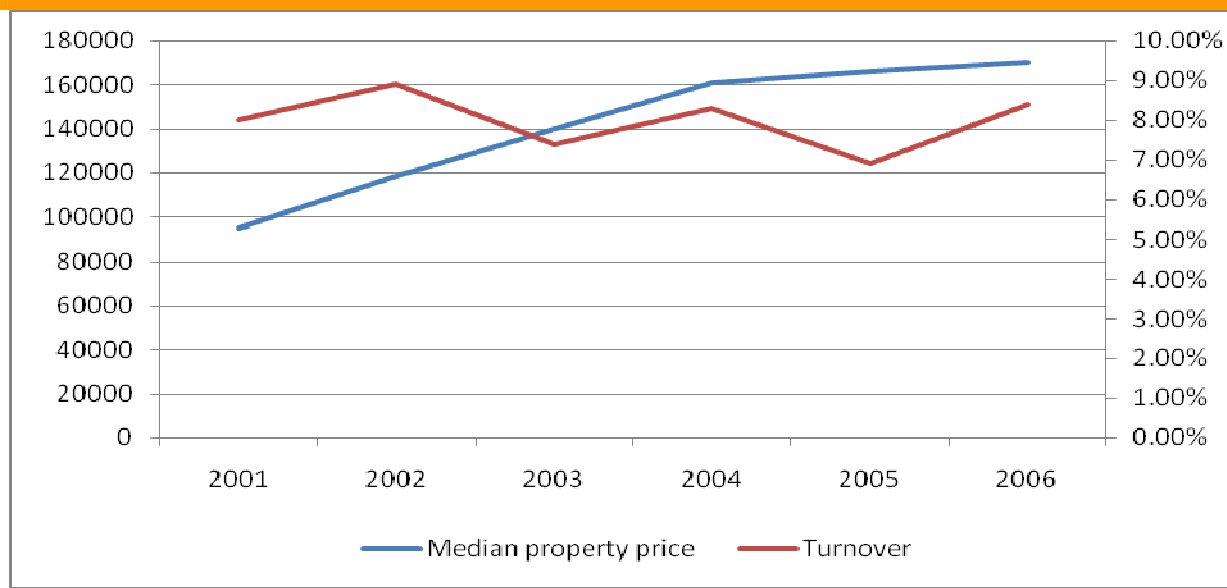
Figure 7.22 Comparison between median property prices and owner-occupied turnover in Ipswich between 2001 - 2006



Source: Land registry 2006, 2001 Census, Survey of English Housing

7.95 The figure below presents the equivalent analysis for Mid Suffolk. It suggests that there is no clear correlation between turnover and median house prices in the District.

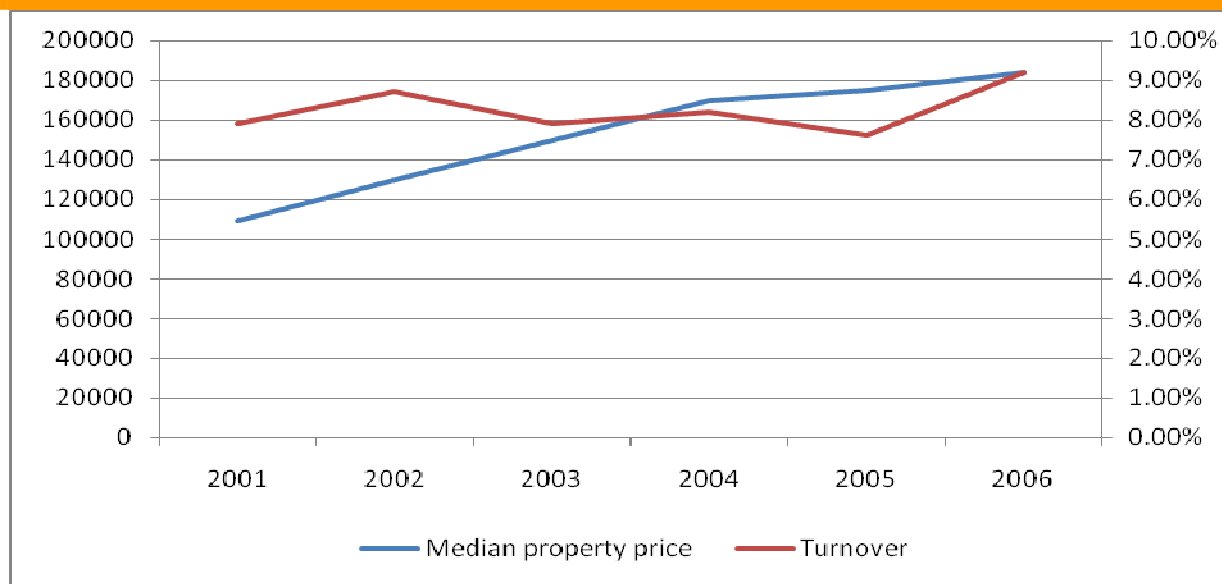
Figure 7.23 Comparison between median property prices and owner-occupied turnover in Mid Suffolk between 2001 - 2006



Source: Land registry 2006, 2001 Census, Survey of English Housing

7.96 The figure below presents the equivalent analysis for Suffolk Coastal. It suggests that there is no clear correlation between turnover and median house prices in the District.

Figure 7.24 Comparison between median property prices and owner-occupied turnover in Suffolk Coastal between 2001 - 2006



Source: Land registry 2006, 2001 Census, Survey of English Housing

Turnover in the private rented sector

7.97 The Guidance acknowledges that there is a lack of secondary data at a local level on the number of lettings in the private rented sector, as is the case in the study area, so it is not possible to derive a locally based turnover rate for this sector. The 2006 Survey of English Housing records that nationally turnover in the private rented sector is around 33% per year. It would be expected that the private rented sector in the study area records a similar turnover rate to national levels. One recommendation is that, if possible, councils monitor turnover within the private rented sector.

Turnover in the social rented sector

7.98 Between 2003/04 and 2005/06 the social rented housing stock (comprised of local authority and RSL dwellings) declined slightly within the study area from 28,081 dwellings in 2003/04 to 28,003 dwellings in 2005/06. However, the change was uneven throughout the study area with Ipswich and Babergh experiencing a decline in the number of social rented dwellings whilst Mid Suffolk and Suffolk Coastal experienced an increase.

Table 7.22 Change in social rented stock 2003/04-2005/06			
	Social rented stock 2003/04	Social rented stock 2005/06	Difference
Ipswich	12,665	12,354	-311
Babergh	4,811	4,733	-78
Mid Suffolk	4,339	4,584	245
Suffolk Coastal	6,266	6,332	66
Total	28,081	28,003	-78

7.99 The Guidance indicates that CORE is the primary source of information about the number of lettings within the social rented stock, although it is necessary to use the HSSA for lettings data from Local Authority stock in Babergh in 2005 and 2006 and all authorities before 2005, as this information is incomplete within CORE. CORE data has been used in preference to HSSA data however for lettings where it exists, in line with advice in the Guidance.

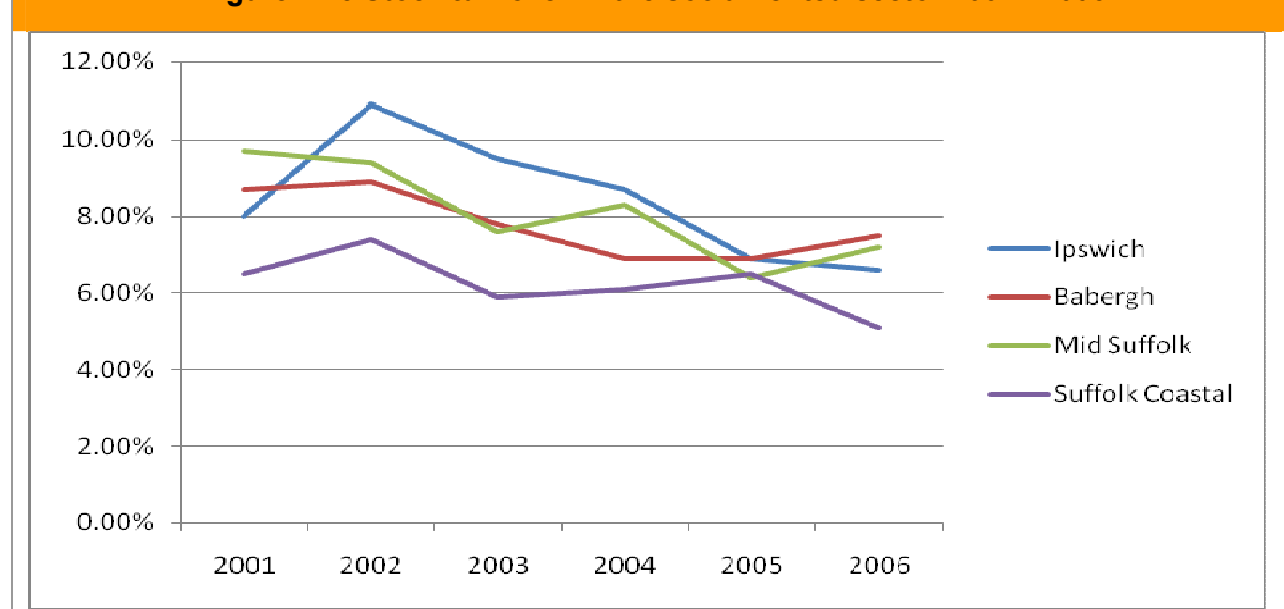
7.100 The table below shows the number of lets within the social rented sector recorded in CORE and the HSSA (where appropriate) in 2006 alongside the estimated size of the social rented stock for this date and the derived turnover rate. It is important to note that the number of lettings includes transfers. The table shows that Babergh records the highest turnover in the social rented sector in the study area, whilst Suffolk Coastal displays the lowest.

Table 7.23 Estimated social rented stock turnover (2006)

	Estimated size of social rented stock	Number of lettings	Turnover
Ipswich	12,354	819	6.6%
Babergh	4,733	356	7.5%
Mid Suffolk	4,584	331	7.2%
Suffolk Coastal	6,332	320	5.1%

Source: CORE data, HSSA 2007

7.101 The figure below shows how the turnover in the social rented stock has changed in the four authorities over the five years to 2006. The figure indicates that Suffolk Coastal has historically recorded the lowest rate of turnover in the social rented stock, whilst Ipswich has generally recorded the highest.

Figure 7.25 Stock turnover in the social rented sector 2001 - 2006

Source: HSSA 2007

Summary

- Average house prices in the study area are below the national average but higher than the average for the East region. Ipswich has the lowest average price within the study area, and Suffolk Coastal the highest. The rate of increase in average prices in the study area over the last five years has been lower than the regional and national equivalent.
- Entry-level purchase prices are highest in Suffolk Coastal and Babergh and lowest in Ipswich.
- The apartment for sale market in Ipswich is demonstrating considerable weakness at this time. Even significant incentives are not attracting sufficient demand to maintain prices of new apartments. This is briefly discussed again in chapters 12 and 13 in relation to the need for more family housing. Stakeholder perceptions and experience of change in the apartment market, particularly in Ipswich, are highlighted in chapter 3 and Appendix A2.
- Entry-level and mean private rents were identified via an online survey of estate and letting agents. Suffolk Coastal recorded the highest average private rental costs and Ipswich the lowest. For entry-level costs Suffolk Coastal is again the most expensive area, but Mid Suffolk is the cheapest.
- Affordability across the study area has worsened over the last four years (the impact of this on housing need is reviewed in chapter 9). Worsening affordability may be further exacerbated by rising fuel costs which disproportionately impact on households living in rural areas.
- Wards with the highest proportions of overcrowded households were in Ipswich. Among the top ten wards with the largest proportions of households in overcrowded conditions, eight were located in the Borough.
- The sale of local authority stock under the Right to Buy combined with relatively low levels of newbuild has meant that the total supply of social housing declined slightly between 2003/04 and 2005/06.

SECTION C: THE FUTURE HOUSING MARKET

This section examines future projections for population and employment.

8. Projections for households and employment

The purpose of this chapter is to:

- Examine the background to the future housing market
- Examine EiP Panel evidence on migration
- Examine population and household projections
- Examine future employment prospects

This chapter provides the information suggested by Stage 4 of the Strategic Housing Market Assessment Practice Guidance relating to the future housing market (Chapter 4 of the Practice Guidance).

Stage 4.1 Projecting changes in the future number of households

Regional population forecasts

- 8.1 The main source of data for the region's population projections is the Spatial Strategy for the East of England Summary paper on demographic information (August 2005).
- 8.2 The report compares actual population change within the East of England between 1991 and 2001 with population projections produced by various organisations including the ONS and DETR/ODPM (now CLG). It also contains population projections undertaken by the Research Group (PHRG) at Anglia Polytechnic University (APU), using the Chelmer model, on three different assumptions, namely:
- Zero net migration into the region
 - Future migration on the basis of long-term trends during 1991-2001, and
 - Future migration on the basis of short-term trends during 1996-2001
- 8.3 According to the report, in broad terms, this information indicated that in order to maintain house-building rates at the levels experienced in the 1990s, and to provide for population growth forecast on the basis of recent (short-term) trends, around 22,000 new dwellings would need to be provided annually in the region in the future. It states that this confirmed previous interim advice made in March 2003 by the Demography sub-group of EERA's Regional Research and Monitoring Group that *"the range of 22,000-24,000 annual additions to dwellings in the region 2001-2021 indicates the best estimate on the basis of currently available data of the likely provision that will need to be made if recent trends and patterns of demographic change and household formation continue into the future"*.

- 8.4 On the basis of this and other information, and after consultation, provision was made in the draft Plan for an annual house-building rate of 23,900 over the period 2001-2021. This constitutes the “banked” draft Plan provision (i.e. the figures were to be adopted until the RSS process was completed in May 2008).
- 8.5 However, the report further states that in 2004 more Census data, relevant to projecting migration rates and on household structure in 2001, was released. In addition, more information on demographic trends since 2001 became available, particularly on recent internal and international migration rates. The Government Actuary’s Department (GAD) produced a revised set of assumptions about future mortality, showing significantly reduced mortality rates over the next 20 years, based on recent evidence of a more rapid improvement in life expectancy than had been previously assumed.
- 8.6 On the basis of this additional information, the (then) latest available (2003 based) ONS trend-based projections forecasted an annual average population increase of 36,900 in the region between 2001-2021 (table 2a, column 2). This forecast growth was 50% higher than that shown for 2001-2021 by the 1996-based ONS projections that formed the basis of the 1996-base DETR household projections. Around a quarter of this increase was due to changes in assumptions about future mortality; the remaining three-quarters was due to an increase in assumed net migration into the region (mainly the result of an increase in future net international migration into the country, based on recent increases in recorded rates).
- 8.7 For the report, the crucial PHRG short-term migration trend projections produced an annual regional increase in households that rises from 21,600 in 2003 to 25,000 now (column 5 in tables). This figure of 25,000 is close to the latest available “interim” ODPM projection of 24,500 (although it could well be lower than the final ODPM projections expected in September). Together, therefore, the most recent projections available at the time of writing suggest that to maintain recent rates of population growth in the region, around 25,000 net additional households would need to be provided with dwellings each year up to 2021, requiring around 26,000 new dwellings a year (allowing for vacant dwellings, second homes, etc.).
- 8.8 The PHRG projections indicate that this increase in trend-based demand of around 3,500 households a year (compared with the demand projected in 2003) is composed of an increase of around 1,300 in households formed by in-migrants and an increase of around 2,100 in households formed within the existing population each year, mainly as a result of the increase in the population in older age-groups (column 5 in tables). Net household formation increases when a population ages because fewer households are removed from the population by death each year but the number of households formed by young adults remains broadly the same.

8.9 Finally, the report suggests that the projections indicate that more dwellings (2,100 a year) would have to be provided for internally generated households and the model assumes that this demand is fully met. As a consequence if the dwelling provision proposed in the draft RSS were to be maintained at 24,000 units a year then fewer households (1,900 a year) could move into the region (column 7 in tables). The annual number of dwellings provided for internal growth would increase from around 12,000 to 14,000 and the number provided for in-migrants would fall from around 11,500 to 9,500. In proportionate terms, provision for household formation within the existing population would increase from just over 50% to just under 60%, with provision for households moving into the region falling from 50% to 40%. The population-forecasting model suggests that this reduction in provision would lead to a reduction of around 2,500 (10%) in the number of people moving into the region each year.

8.10 The tables below derive from the APU demographic report:

Table 8.1 East of England population change 2001-2021 (average annual rates)

Table 1a
EAST OF ENGLAND: POPULATION CHANGE – ANNUAL AVERAGE RATES
Information available in late 2003

	Actual annual change 1991-2001	Forecast annual change 2001-2021					Banked RSS 2004
		ONS 1996 base	PHRG (Chelmer) Sept. 2003				
			Zero net migration	Long-term migration	Short-term migration	Structure Plan dwelling-led	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Natural change	+11,300	+5,200	+5,800	+5,800	+5,800	+5,800	+5,800
Net migration and other change	+16,100	+19,400	0	+17,900	+27,600	+24,400	+26,200
Total annual population change	+27,400	+24,600	+5,800	+23,700	+33,500	+30,200	+32,000

Totals may not add due to rounding

Source: PHRG, *Population and Household Growth in the East of England, 2001-2021*, Sept. 2003

Note: Births and deaths to net migrants are included in Net migration and other change figures for the PHRG projections but in the Natural change figures in Cols 1 and 2.

Source: Spatial Strategy for the East of England Summary Paper on Demographic Information, August 2005

Note: column 1 - actual data for 1991-2001 (as available in September 2003)

column 2 – 2003-based projections (ONS and DETR/ODPM)

columns 3-5 - projections commissioned by EERA from the Population and Housing

- column 6 - projections based on rolling forward to 2021 of annual rates of housing provision in existing structure plans; and*
- column 7 - projections based on the February 2004 "banked" draft RSS Plan housing provision i.e. before consideration by the EIP Panel*

Table 8.2 East of England household and dwelling change 2001-2021 (average annual rates)

**Table 1b
EAST OF ENGLAND: HOUSEHOLD AND DWELLING CHANGE – ANNUAL AVERAGE RATES**

Information available in late 2003

	Actual annual change 1991-2001	Forecast annual change 2001-2021					Banked RSS 2004
		DETR 1996 base	PHRG (Chelmer) Sept. 2003			Structure Plan dwelling-led	
			Zero net migration	Long-term migration	Short-term migration		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Households formed in existing population			+11,700	+11,700	+11,700	+11,700	+11,700
In-migrant households			0	+6,500	+9,900	+8,700	+11,400
Total annual household change	+23,200	+20,900	+11,700	+18,200	+21,600	+20,500	+23,100
Total annual dwelling change	+22,000		+11,700	+18,800	+22,300	+21,200	+23,900

Totals may not add due to rounding

Source: PHRG, Population and Household Growth in the East of England, 2001-2021, Sept. 2003.

Source: Spatial Strategy for the East of England Summary Paper on Demographic Information, August 2005

Table 8.3 East of England population change 2001-2021 (average rates)

**Table 2a
EAST OF ENGLAND: POPULATION CHANGE – ANNUAL AVERAGE RATES**

Information available in July 2005

	Actual annual change 1991-2001	Forecast annual change 2001-2021					Submitted RSS 2005
		ONS 2003 base	PHRG (Chelmer) March 2005				
			Zero net migration		Short-term migration		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Natural change	+11,300	+7,900	+4,600		+4,600		+4,600
Net migration and other change	+16,700	+29,000	0		+28,000		+23,700
Total annual population change	+27,900	+36,900	+4,600		+32,500		+28,200

Totals may not add due to rounding

Source: PHRG, Revised 2001-based Population and Household Growth in the East of England, 2001-2021, March 2005

Note: Births and deaths to net migrants are included in Net migration and other change figures for the PHRG projections but in the Natural change figures in Cols 1 and 2.

Source: Spatial Strategy for the East of England Summary Paper on Demographic Information, August 2005

**Table 8.4 East of England household and dwelling change 2001-2021
(average annual rates)**

**Table 2b
EAST OF ENGLAND: HOUSEHOLD AND DWELLING CHANGE – ANNUAL AVERAGE
RATES**

Information available in July 2005

	Actual annual change 1991-2001	Forecast annual change 2001-2021					Submitted RSS 2005
		ODPM 2002 base	PHRG (Chelmer) March 2005			Short-term migration	
			Zero net migration				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Households formed in existing population			+13,800		+13,800		+13,800
In-migrant households			0		+11,200		+9,500
Total annual household change	+22,400	+24,500	+13,800		+25,000		+23,200
Total annual dwelling change	+22,000		+14,100		+25,800		+24,000

Totals may not add due to rounding

Source: PHRG, Revised 2001-based Population and Household Growth in the East of England, 2001-2021, March 2005

Source: Spatial Strategy for the East of England Summary Paper on Demographic Information, August 2005

- 8.11 In the light of ODPM 2003-based population projections published in March 2006, the region's population and household projections were further amended after the draft Plan's Examination in Public panel had closed. The table below summarises the population and household projections from the differing sources as presented in the EiP Panel Report:

Table 8.5 Comparison of East of England projected population and household change projections 2001-2021

Projection	Population (000s)			Households (000s)		
	2001/2021	change	%	2001/2021	change	%
ONS/DETR 1996-based	5448/5941	493	9%	2284/2701	417	18%
ODPM Interim 2002-based	5400/6064	663	12%	2259/2749	490	22%
APU revised 2001-based*	5400/6050	650	12%	2237/2737	500	22%
ODPM 2003-based	5400/6139	739	14%	2236/2797	561	25%

*APU figures are for "short term migration" assumption.

Source: EiP Panel Report, June 2006

8.12 The EiP Panel Report concludes that differences in figures are the consequence of the models' differing emphases on changing family size and extent of in-migration. It argues that household projections are not statements of housing requirements but statistical exercises showing what would happen if demographic trends continue. As such, they represent the best available statistical basis for considering how many additional households there might be requiring homes in the region in future. Nonetheless, the report concludes that provision well in excess of 500,000 would more fully address the numbers of households likely to be requiring homes in the East of England.

Study area population forecasts

8.13 The population in the study area is projected to increase by around 7.2% over the next 15 years from an estimated 413,300 people in 2006 to 443,000 people by the year 2021.

Table 8.6 Population projections 2006-2021			
	Population 2006	Population 2021	% change
Ipswich	117,900	122,300	3.7%
Babergh	85,600	91,000	6.3%
Mid Suffolk	90,000	98,700	9.7%
Suffolk Coastal	119,800	131,000	9.3%
Total	413,300	443,000	7.2%

Source: CLG, 2004

8.14 As the local population grows in the next two decades, the structure of the population will change due to falling birth rates, longer life expectancy and the effect of migration. Policies for housing provisions will therefore have to adapt accordingly to meet the needs of a population that will have a different demographic profile.

8.15 Following national and regional trends, it is likely that by 2026, the number of people aged 65+ in the study area will increase substantially. This will greatly increase the number of pensioner and lone-pensioner households in the housing market.

8.16 In contrast, the numbers of young adults (16-24) and people aged 25-44, the key age groups where new households are likely to arise, is likely to decrease over the same period.

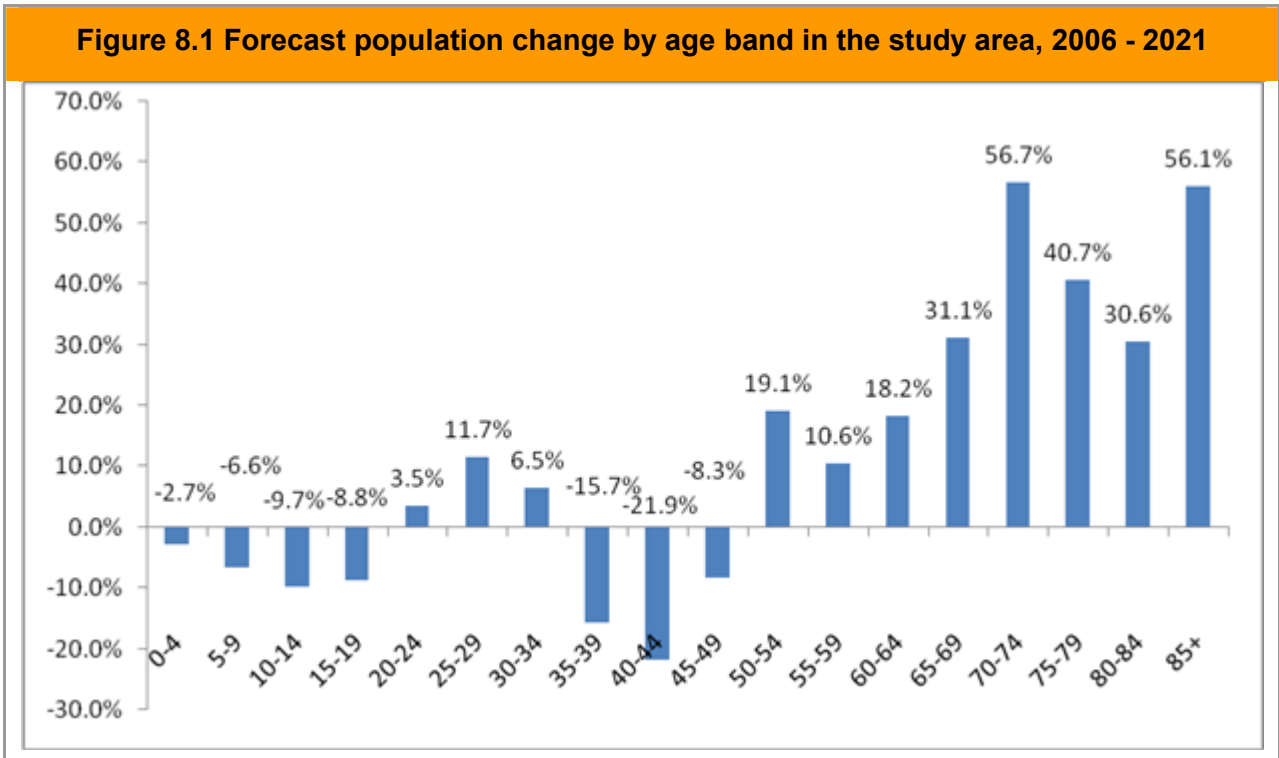
8.17 Although this could mean that the number of new young households will fall, this will be compensated to some extent by the projected rise in one-person households within these groups. Also, the decrease in the population of younger people combined with an increasing number of older people follows the national trend whereby the proportion of working to non-working people will decrease.

- 8.18 The implication of this trend is that local funds originating from council taxes and national funds originating from national insurance and PAYE may decrease at the same time as demands on services increase.
- 8.19 In relation to BME population projections, there is no official projection of future ethnic population in the study area despite the fact that it is an important population group that any future housing policies will need to consider because of the different housing requirements and access issues that may arise. However, the ONS has, as part of a series of 'experimental statistics' provided projections of the number of people in each ethnic group by local authority. The latest figures are estimates for 2005. The data shows that in the four year period 2001-2005 there is projected to have been a significant growth in all groups other than the White (British/Irish) group. Overall, the study area population is projected to have increased by 3.8% although the increase in the Asian or Asian British group is 129.0%, Chinese or other group (88.9%), Black (59.3%) with other BME groups also showing increases well above the overall study area average.
- 8.20 Significantly, the number of households in the study area is projected to increase at a faster rate than the population at 22.5% between 2006 and 2026 from a total of 178,000 to 218,000 households. This is equivalent to an annual increase of 2,000 households each year over the next 20 years.
- 8.21 Following regional trends, it is predicted that over the same period the characteristics of households will change with more one-person and cohabiting households but fewer married couple households. Similarly, on current projections, the number of one-person households will exceed the number of married couple households by 2021. The numbers of lone-parent households and other multi-person households are projected to increase very gradually. These changes are likely to significantly impact on the types and sizes of properties required between 2006-2026.
- 8.22 By 2026, one-person households in the region will comprise nearly two in five of all households. The increase in one-person households will have implications for the overall level of affordability for housing because of the effect on household income, which might result in an increase in demand for affordable housing. The surge in the number of one-person households may also increase demand for renting, particularly among younger households. Providing suitable housing to lone-pensioner households that offer easily accessible amenities will also become a key issue for future housing provisions.

Structural changes within the population

8.23 Similar to national trends, the study area contains a gradually ageing population. As such, it contains a slightly lower proportion of the population which falls within the younger age bands (0-19) and a slightly higher proportion of people aged 65 and over. Suffolk Coastal contains the highest proportion of older people whilst Ipswich stands out as having a slightly younger population.

8.24 The figure below shows how the number of older people within the population is projected to increase substantially between 2006 and 2021, particularly for people aged 70-74 and 85+. Conversely, the proportion of children and people aged between 35 and 49 years is projected to decrease during the same period. Such an ageing population is likely to have consequences for the size and type (e.g. sheltered or extra-care housing) of properties required in the future. The characteristics and policy responses to the needs of older households is further discussed in Chapter 10.



Source: CLG, 2004

8.25 Adults without dependent children are particularly likely to be in the study area, although lone parents are not as commonly found in the study area when compared with regional and national profiles. However, Ipswich has a particularly high proportion of lone parent households. Importantly, data presented in Chapter 5 suggests that over the period 1991-2001 lone parents became increasingly likely to access social rented housing and far less likely than any other household type to access owner-occupied housing.

- 8.26 However, according to the EiP Panel Report, the trend for average household size to fall must eventually level out in the longer term. Within the population, the tendency to form separate households varies between different groups by age, sex and other characteristics, and it is these formation rates that are modelled in the projections.
- 8.27 Further, it argues that the trends giving rise to increasing numbers of smaller households, including household dissolution and greater life expectancy, are not likely to reach “saturation” in the foreseeable future. Although the differences between the various projections might appear marginal, one reason why the latest CLG projections show higher household growth than previously expected seems to be that household size is projected to fall further than in previous projections²⁰.

Stage 4.2: Future economic performance

- 8.28 As discussed in Chapter 4, the East of England’s economic strategy sets out the region’s key targets and visions including how the development of new housing can play an important role in the future development of the region’s economy.
- 8.29 According to the Examination in Public (EiP) Panel Report, the biggest employment-related question was whether or not the draft Plan is a “jobs-led” strategy. It argues that the draft Plan asserts (paragraph 5.9) that it is, although it states that EERA has back-tracked from this to some extent, explaining the phrase as short-hand for the search for a better balance between jobs and homes as part of sustainable development.
- 8.30 The EiP jobs target of 421,500 is said to align with the Regional Economic Strategy (RES) and give spatial expression to it. While some participants would prefer housing growth levels to be more clearly linked with (and made subordinate to) phased achievement of the jobs targets, representatives of the house-building industry argue that the draft Plan cannot be other than housing-led, certainly within those areas affected by the Growth Areas agenda, albeit that issues of employment opportunities, alignment and commuting are important matters to consider when deciding the location and scale of growth.
- 8.31 However, the report argues that there must be considerable uncertainty about national, regional and local employment trends to 2021, taking into account such varied factors as the long-term positive and negative impacts of increased global competition, the future demographic composition of the region, the amount of housing and employment growth in London, and future trends in commuting and employment patterns/preferences including job-sharing.

²⁰ EiP p.114

- 8.32 On the other hand, the EiP argues that the region has consistently increased its share of national employment since at least 1971 and independent forecasts expect it to continue to do so. Moreover, although there are divergent opinions about the reliability of the methodology behind the regional jobs target, 421,500 represents a forecast increase in the regions' share of national employment from 8.7% in 2001 to 9.3% in 2021.
- 8.33 In the context of a substantial increase in population supported by new house building the EiP states that this does not seem to be an unachievable or unreasonably aspirational overall target compared with longer term trends in the past, bearing in mind the likely mutually reinforcing relationship between population increases on the expected scale and the creation of new job opportunities. Provided that development is concentrated as much as possible at towns with reasonably strong and self-sufficient economies or can proceed in step with regeneration efforts that have a good prospect of succeeding, it considers that a regional target for increasing jobs by some 421,500 to 2021 is broadly supportable in the context of a housing increase of 478,000. However, as the EiP is recommending increasing the housing provision to 505,500, they consider that it would be appropriate to raise the regional employment target to 440,000. This would retain broadly the same ratio between the overall regional increases in jobs and homes as in the draft Plan (roughly 0.88 in the latter and 0.87 in their recommendations) and is not on a fundamentally different scale of achievability.
- 8.34 Importantly the EiP Panel Report²¹ argues that it is an axiom of sustainable communities that they should be places in which to both live and work, and that housing growth therefore needs to be accompanied by additional jobs. However, it does not believe that there are sufficiently robust and detailed data and methodologies to fix a regional or sub-regional job target, and then to determine the housing provision as a derivative of this. The approach is more one of ensuring that there is a realistic match between housing and job growth both regionally and on a more local basis²².

Economic performance of the county and study area

- 8.35 Suffolk²³, in common with the East of England region, performs well. Its Gross Value Added (GVA) is about £10 billion and has grown by an average of 4.4% since 1995. However, levels of workforce qualifications are slightly below regional and national averages.
- 8.36 One important employment trend between 1995 and 2005 was that the proportion of people employed in manufacturing gradually declined to around 10%, whilst people employed in services gradually increased to around 80%. People employed in either tourism or construction held steady during the same period at around 5% or 6%.

²¹ The EiP report was superseded by the RSS which was adopted May 2008.

²² EiP, 2006 p.118

²³ GVA figures are not available on a local authority basis

- 8.37 The proportion of people employed as managers, professionals or associate professionals decreased slightly between 2002 and 2007 from 40% to 38%, whilst the proportion of people employed in administrative, secretarial or associate occupations has increased slightly from 25% to 27%. This trend may have housing affordability implications over the long-term as the latter occupational group tend to be lower paid than the former occupational group.
- 8.38 The level of new VAT registrations at 8.5% is around the regional average but somewhat below the national average of 9.7%. This is not a direct measure of business vitality, but it is a close proxy for it.
- 8.39 Economic activity levels among local residents (i.e. the proportion of all adults aged between 15-64 years (males) or 15-59 (females)) has been higher than the national average, fluctuating between around 81% and 85% between 2000 and 2007, indicating a healthy labour market where a large proportion of people are available to work in the local economy. Similarly, unemployment levels in the study area have been consistently around or below regional unemployment rates for the last six years (although unemployment rates in Ipswich during the same period have consistently been 1% to 2% above the regional average).
- 8.40 Levels of Housing Benefit applications may be used as a proxy measure for the level of economic deprivation within an area (although it must be noted that the number of initial applications will differ from the number of successful applications). Housing Benefit applications in relative terms (per 1,000 households) were lower in the study area than both the equivalent for East of England or England and Wales. However, Ipswich has a higher than regional or national average of Housing Benefit claimants per 1,000 households.
- 8.41 The trend towards a service-based economy is projected to continue in the County with service industries continuing to grow and manufacturing and primary industries declining gradually over the next ten years. The same trend is expected across all areas. While the changing economy may offer more higher-skilled types of jobs and therefore increase overall earnings, it may also lead to unemployment among displaced workers from declining industries. Unfortunately, this trend is likely to exacerbate issues around affordability within the study area as the average weekly pay of UK service sector employees in 2007 was £198 per week, compared with an average weekly wage of £312 per week for all types of employees²⁴.

²⁴ http://www.statistics.gov.uk/downloads/theme_labour/ASHE_1997/1997_occupation.pdf

- 8.42 In terms of occupation, it is likely that professional, managerial and technical occupations and skilled trades, personal services and sales and customer services types of occupations are projected to increase across the County and districts as a proportion of all employment as service industries grow. At the same time, employment opportunities in clerical/administrative work and process plant /machine operators and elementary occupations may reduce over time.
- 8.43 According to the East of England Regional Economic Strategy (2004), rural parts of the region such as Suffolk generally have lower population levels, higher dependence on traditional land-based industries, poorer infrastructure, ageing populations and lower economic growth. Based upon our market survey and stakeholder work we have reached identical conclusions. However, our work develops this. More remote towns, for example, Glemsford, Eye and Leiston are very self-contained service centres and road journeys into the major towns can only be described as tedious.
- 8.44 However, Suffolk also supports a strong telecoms Research & Development industry attracting highly skilled and relatively highly paid employees. This is very visible to the east of Ipswich.
- 8.45 Importantly, as the strategy states, the study area is part of the Haven Gateway, an area which includes both significant regional regeneration priorities and concentrations of deprivation. For example, along the Tendring Coast and in parts of Ipswich, as well as important economic opportunities at the gateway ports of Felixstowe and Harwich and the ICT cluster at Adastral Park. There is a concentration of transport and logistics industries linked to the port and maritime related activity. The major expansion planned at both Harwich and Felixstowe will reinforce their roles as key gateways to the sea and as the focus for local regeneration and economic activity.

Study area employment futures

- 8.46 The EiP Panel Report acknowledges that the two major urban areas of Ipswich and Colchester, as well as the ports, comprise the three major economic drivers for the sub-region. As such, EiP Guidance suggests that Colchester and Felixstowe, as well as Ipswich and Harwich, are Strategic Employment Locations. Importantly, it recognises that some developers and others called for more specific guidance as to the number, size and location of employment sites, particularly at Ipswich. It suggests that these need to be tailored to the local needs and circumstances of each location, as indicated in recommended revised Policy E4 and supporting text. However, it argues that detailed locations and requirements are matters that should be settled in Local Development Documents (LDD) and do not call for specific guidance in the RSS. Also, despite the focus on the three main economic drivers, it is important not to ignore the sub-region's other towns and smaller settlements and their potential, and need, for a certain level of employment growth²⁵. For example, the revised Regional Spatial Strategy for the East of England (May 2008) acknowledges the strategic importance of a number of ICT clusters within the region including Adastral Park at Martlesham and its proposed Innovation Centre.
- 8.47 Further, the EiP Panel Report provides indicative targets for net growth in jobs for the period 2001-2021. However, the targets are to be adopted as reference values for monitoring purposes and as guidance for regional and local authorities, EEDA and other delivery agencies in all their policy and decision making on employment matters. The targets for Suffolk are outlined below:

Table 8.7 Suffolk: Indicative net growth in jobs 2001-2021	
Area	New jobs
Suffolk Haven Gateway-Suffolk [Ipswich/Suffolk Coastal/ Babergh]	30,000
Waveney	5,000
Rest of Suffolk [Mid Suffolk/St Edmundsbury/ Forest Heath]	18,000
Total	53,000
Regional Total	440,000

Source: EiP Panel Report, June 2006

- 8.48 A major project that may attract a substantial number of jobs is the 'SnOasis' indoor ski slope that is due to open in 2012. Located close to Ipswich and costing £350 million, this winter sports venue is likely to create 5,000 jobs during its construction stage and 1,800 jobs when opened. Further, regional educational establishments and national sports bodies are instigating strategies to develop vocational courses at all levels in order to prepare students for future employment at SnOasis.

²⁵ EiP V1 p.46

Local economic development strategies

8.49 The success of the Regional Economic Strategy is dependent on the success of local economic strategies. To a large extent, the study area contains contrasting but complementary economic characteristics. Ipswich is a thriving port whose close proximity to London and growing I.T. and telecommunications sectors attract highly skilled employees. However, the town's workforce is still less likely than the national average to attain higher level qualifications and has areas of economic deprivation. The more rural characteristic of the remaining three study area councils provides both opportunities in the form of income from tourism as well as the challenge of stimulating enterprise whilst maintaining the rural character of the countryside. In response, all study area councils have either developed local economic strategies or implemented policies that support businesses and enterprise.

Ipswich Economic Development Strategy to 2010

- 8.50 The main aim of Ipswich's economic development strategy is to develop a dynamic and resilient economy by 2010. The strategy describes Ipswich's local economy as dynamic and successful with high rates of employment. A large proportion of its workforce employed in high 'added-value' sectors such as I.T. and are able to take advantage of its close proximity to London and the South East.
- 8.51 Despite this success, the strategy states that Ipswich has recognised the problems faced by certain areas of the town. In 2000 area based regeneration funding was obtained from government for the central area of Ipswich (£ 500,000 from SRB 6). This funding has helped to achieve community led solutions to problems of unemployment, crime, poor health, educational under-achievement and a poor quality environment. This community led activity needs to be developed across Ipswich; drawing in funding from 'mainstream' providers in the public, private and voluntary sectors.
- 8.52 According to the strategy, a main objective is to increase people's interest in the possibilities and rewards of employment and enterprise. It aims to help Ipswich take advantage of new business opportunities created by technological and global economic changes, and aims to help to provide an attractive environment for residents, visitors and businesses.
- 8.53 Importantly, as noted in Chapters 2 and 3 and above, Ipswich is already home to a cluster of I.T. and telecommunications companies. As such, the strategy argues that capturing and channelling the energy and dynamism of the technology sectors will enable other business sectors to understand and make best use of the opportunities that technology offers. Technological transfer and adaptation will help local companies survive and stay at the leading edge in the face of more open markets and increased global competition. Developing the existing cluster of added value technology businesses and creating closer links with complimentary clusters means they can bring the successful ingredients of their economic growth to the Ipswich sub-region.

- 8.54 As noted above, many of these firms are clustered around Ipswich and the BT Exact research facility at Adastral Park. These firms make a significant contribution to the local economy; employing many thousands of people and transferring innovative ideas and technology to other business sectors. The Cambridge 2 Ipswich Hi-tech Corridor encourages ideas and investment to flow within Cambridge, Suffolk and North East Essex. In 2002 the East of England Development Agency (EEDA) provided funding for research into skills development and for the development of another business incubator centre at Adastral Park (located in Suffolk Coastal) and a business graduation centre at Ipswich Waterfront. In the period 2003-2005 EEDA and Corridor partners are delivering a Corridor project called 'Collaborate2Innovate' that is funded by the European Union's Innovative Actions Programme.
- 8.55 The strategy hopes that institutions such as the Suffolk Institute of Technology (SIT) and newly developing university on Ipswich Waterfront will help provide Ipswich's workforce with 'world class' vocational and generic skills that businesses require by supporting new facilities. However, as noted in Chapter 5, Ipswich currently has lower than average numbers of people with qualifications at NVQ Level 3 or above. In response, the Council is aiming to increase the percentage of the workforce qualified to NVQ Level 3 or higher from 29.9% to 40.0%. NVQs are national vocational qualifications; NVQ 3 demonstrates a specialisation in an occupation above the normal minimum standard.
- 8.56 Finally, the strategy also highlights the extent to which local employment is dependent upon the Haven Gateway Partnership (HGP). It states that almost 15,000 people are employed directly in the ports, logistics and shipping sector in Suffolk and north Essex and when those indirectly working for the industry are included, the total is estimated to be well over 25,000. Based on the central role of ports as hubs and generators of economic activity, the HGP provides a framework within which its partner organisations from the private and public sectors can work together to promote economic opportunities and secure the future prosperity of the Haven sub-region. In 2002 the Partnership lobbied for road and rail improvements and agreed to fund a project that will help to address some of the skills shortages that exist in the ports, logistics and shipping sector.

Babergh economic development website

- 8.57 According to Babergh's economic development website²⁶, the Council has recently drafted its new economic development programme and is seeking comments from the local community and businesses on their proposed priorities over the next three years. As such, Babergh's Economic Development programme will be available shortly.

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<http://www.babergh.gov.uk/Babergh/Home/Business/Economic+Development/Economic+Development+Programme/>

- 8.58 The website describes Babergh as an economically diverse area which ranges from traditional retailing in market towns like Hadleigh to entrepreneurial information driven businesses. It states that the District's active industrial sectors at Sudbury, Hadleigh, Brantham and on the western fringe of Ipswich are balanced with attractive leisure facilities including championship golf courses and first-class sailing centres. Internationally renowned areas of countryside and the medieval wool villages at Lavenham and Kersey provide high quality of life surroundings for residents whilst forming the basis for a strong local tourism industry.
- 8.59 In terms of economic growth, the website describes South Suffolk's workforce as adaptable and well trained in a variety of industries, from high volume precision engineering to customer services. An active business community thrives and has established successful partnership programmes exploring European opportunities and working in co-operation for town improvements. It states that Sudbury, as the District's largest population centre, remains the focus of industrial activity, which ranges from the traditional weaving and textile industry to large engineering facilities such as Delphi Automotive Systems.
- 8.60 Babergh has attempted to encourage a balanced and stable enterprise culture since the early eighties. The District is well served by the Suffolk Youth Enterprise Service, two enterprise agencies and Business Link Suffolk. A Business Workspace Grant is now well established within the District, encouraging the re-use of redundant buildings for employment creation. During the past few years, since the first grant payment was made in December 1988, the Business Workspace scheme has provided over £113,000 to 36 individual projects, creating over 5,250 square metres of floorspace and offering full-time employment opportunities to more than 160 people. It has also implemented enterprise initiatives such as a Business Growth Loan Scheme and financial support for Youth Enterprise, Village shop development, Business Link and the local Enterprise Agencies. The Council is taking a formative role in the Suffolk Pathfinder project under the Governments' New Commitment to Regeneration initiative.

Mid Suffolk

- 8.61 According to the Mid Suffolk economic development website²⁷, the District is home to a range of numerous and diverse businesses ranging from world famous brands such as Atco to entrepreneurial small 'niche market' companies. The District has a strong cluster of quality food and drink businesses from growers of fresh herbs, vegetables and fruit to manufacturers of interesting and tasty produce for your kitchen - as well as the restaurants and pubs, many of which serve locally produced food and drink. There are also clusters of successful manufacturing and engineering, haulage and logistics companies within the District.

²⁷ <http://www.midsuffolk.gov.uk/About+your+Council/Business>

- 8.62 The Council offers a number of schemes for supporting local businesses. One, the Mid Suffolk Caring Cards for Local Businesses scheme provides cards for smaller businesses that do not have a Human Resource department and who want to support their staff through the challenges that life throws them such as bereavement, illness or caring responsibilities.
- 8.63 The Council also offers business loans. This scheme is administered by the Needham Market branch of Barclays Bank and available throughout Mid Suffolk. A long-standing partnership scheme exists between Barclays and Mid Suffolk District Council where the bank provides the loan capital and the Council provides a contribution to the interest payable. Interest is subsidised by the Council for two years - Year 1 at a rate of 4%, Year 2 at 2%. Businesses must be based in Mid Suffolk, with a turnover of less than £500,000 per year and the maximum loan is £50,000.
- 8.64 Mid Suffolk District Council also has a grant scheme to help with the conversion of buildings into business use. Grants of up to 25% can be given to assist with conversion costs to bring premises into commercial use. Appropriate planning permission must be in place and grants cannot be given retrospectively for any works completed or in progress.
- 8.65 Finally, as noted above, Mid Suffolk is due to be the venue for the planned 'SnOasis' indoor ski slope that is due to open in 2012 and is likely to lead to substantial new employment opportunities.

Suffolk Coastal

- 8.66 Suffolk Coastal's *Economic Development, Tourism & Regeneration Strategy 2004 – 2009* states its main economic targets that it hopes to achieve by 2009 as:
- Reduction in number of wards within the most 20% deprived in England
 - To reach or exceed County average levels for unemployment rates, skills levels and average earnings
 - Increase the value of tourism by 2%
 - To use the Economic Development budget to attract and lever in eight times its amount of external investment into the District
- 8.67 It notes that Suffolk Coastal's economic activity rate is 73.6%, the lowest of the whole of Suffolk (average 81%). The largest proportion of the population within the District is employed in the transport and communications sector (25.2%), compared to a national average of 6.1%, closely followed by distribution. The public sector is the third largest employer, with agriculture at 4.9% (five times the national average). Tourism is a major employment sector within the region and has great potential for future growth.

- 8.68 Similar to Ipswich, some employees in Suffolk Coastal are employed by BT Exact which is based on Adastral Park at Martlesham Heath, near Ipswich and operates as an IT research and development centre employing more than 3,000 engineers and scientists. Further research is also carried out through the close involvement of four universities, which operate "remote" laboratories on site. A strong cluster of Telecom and ITC related businesses have sprung up around the area.
- 8.69 However, tourism is an important contributor to Suffolk Coastal's local economy. According to the economic strategy, the overall value of tourism to Suffolk Coastal in 2000 was an estimated £142.5 million of which approximately £59.2 million (37%) was generated by staying visitors and approximately £89.5 million (63%) generated by day visitors. This expenditure supported an estimated 2,788 full-time job equivalents (FTEs) and when part time and seasonal jobs are considered, tourism expenditure supports a total of 3,906 actual jobs.
- 8.70 According to the strategy, Suffolk Coastal, like many areas in Anglia excepting Cambridge, suffers from the loss of young adults leaving the area to undertake university courses elsewhere, but not coming back. This has a direct effect on the local economy, with a 'creaming off' of the labour force. This is an ongoing problem for the whole of Suffolk, which has to be addressed by a number of partners. One critical factor was a lack of a university within the County. Therefore SCDC, through its partners, adds its support to the University Campus for Suffolk.
- 8.71 In order to tackle economic issues, Suffolk Coastal has identified seven key themes:
- Support of new and existing businesses
 - Regeneration of towns and rural areas
 - Promotion and development of business clusters
 - Skills development of workforce
 - Transport and communications infrastructure
 - Support for local communities
 - Develop tourism, resorts and the environment / heritage of the District
- 8.72 In future, Suffolk Coastal sees the role of Sub-Regional Economic Partnerships (SREPs) – the Suffolk Development Agency (SDA) and Haven Gateway Partnership (HGP) as developing. Further, it predicts that the role of the business community and the move towards community organisations and social enterprises delivering economic improvements will expand. The Local Strategic Partnership will grow in importance. Finally, the strategy states that there is a key role for SCDC in brokering and participating in partnership activity ensuring that all public sector partners are working together in a constructive way.

Summary

- The population in the study area is projected to increase by 7.2% over the next 15 years from an estimated 413,400 people in 2006 to 443,000 people by the year 2021:

Table 8.8 Population projections 2006-2021			
	Population 2006	Population 2021	% change
Ipswich	117,900	122,300	3.7%
Babergh	85,600	91,000	6.3%
Mid Suffolk	90,000	98,700	9.7%
Suffolk Coastal	119,800	131,000	9.3%
Total	413,300	443,000	7.2%

Source: Table 8.6 above

- Over the same period the characteristics of households will change with more one-person and cohabiting households but fewer married couple households.
- The EiP Panel Report suggests that the regional target for increasing jobs by some 421,500 to 2021 is broadly supportable in the context of a housing increase of 478,000.
- The trend towards a service-based economy is projected to continue with service industries continuing to grow and manufacturing and primary industries declining gradually over the next ten years.
- There is an indicative target of around 36,000 new jobs within the study area between 2001 and 2021.
- Road and transport infrastructure isolates some towns both physically and economically and leads to them being highly self-contained housing sub-markets particularly suited to older people.
- See chapter 4 for related housing and planning targets and projections in a local, sub-regional and regional context.

SECTION D: HOUSING NEEDS ANALYSIS

This section contains analysis following the procedure set out in the Practice Guidance in its Chapter 5 (general needs) and Chapter 6 (special needs).

9. Extent of housing need

- This chapter presents the results of the three stages of the housing needs assessment model
- Using this model it is estimated that the net annual housing need in the study area is 1,577

This chapter provides the information suggested by Stage 5 of the Strategic Housing Market Assessment Practice Guidance relating to housing needs (chapter 5 of the Practice Guidance).

Introduction

- 9.1 Establishing the extent of housing need is crucial for creating housing policy in the housing market area. The Guidance contains a section describing the model that should be used to assess housing need in an area and how this result can be used to inform policy.

Findings from local housing needs assessments/surveys

- 9.2 Each of the four local authorities in the study area has produced housing needs surveys/assessments over the past few years. The year of publication and the consultant responsible for the most recent report in each area are listed below.

- Babergh (not yet finalised) – David Couttie Associates, 2008
- Ipswich – Fordham Research, 2005
- Mid Suffolk (not yet finalised) - Fordham Research, 2008
- Suffolk Coastal – Opinion Research Services, 2007

- 9.3 The section below summarises the key findings of the Housing Needs Surveys.

Ipswich Housing Needs Survey, 2005

- 9.4 According to the survey, households living in rented accommodation were more likely to be in unsuitable housing than owner-occupiers. Some 2.2% of Council, 11.8% of RSL and 13.9% of private rented households were estimated to be living in unsuitable housing compared with 2.7% and 3.4% of households in owner-occupied (no mortgage) and owner-occupied (with mortgage) tenures respectively.

- 9.5 Further, the survey estimated that there is a need for a requirement to provide an additional 798 affordable dwellings per annum if all housing needs were to be met for the years 2005-2010. Overall, the need for additional affordable housing represented over 100% of the estimated newbuild in the Borough (500 units per annum). The survey suggests that it would be sensible to suggest that in the light of the affordable housing requirement shown, the Council will need to maximise the availability of affordable housing from all available sources (including newbuild, acquisitions, conversions etc). It argued that attention should also be paid to the cost (to occupants) of any additional housing to make sure that it can actually meet the needs identified in the survey.

Babergh Housing Needs Survey 2008

- 9.6 At the time of writing (September 2008), the Babergh Housing Needs Survey was still in the process of being completed by David Couttie Associates. However, preliminary results suggest that over 90% of households lived in accommodation adequate for their needs, although levels of adequacy varied by tenure. The report noted that affordability is a major issue, particularly for newly forming households; 60% could not afford private rental and home ownership is beyond the reach of 96% of concealed households. Annually, the survey suggested that there is a need for 369 affordable housing units, almost three times higher than the average future supply from new delivery and conversions of around 130 new units per year.
- 9.7 In terms of housing stock the survey stated that the social stock was only 12.7%, below the national average, and provided only 254 re-let units each year. Finally, it noted that the retired population will increase by 65.3% of the population by 2021 and that there is an inextricable link between ageing and disability with over two thirds of those with a support need over age 60.

Mid Suffolk Housing Needs Survey, 2008

- 9.8 At the time of writing (September 2008), the Mid Suffolk Housing Needs Survey was still in the process of being completed by Fordham Research. However, preliminary results suggest that almost half of households live in detached houses or bungalows. Households living in rented housing are more likely to live in flats whilst those in owner-occupation are more likely to live in detached houses or bungalows. Almost 30% of all households are 'pensioner-only', and more than a quarter contain children. The owner-occupied (no mortgage) sector and the social rented sector contain relatively large proportions of pensioner households.

- 9.9 Analysis of household moves in the last two years shows that private rented tenants are the most mobile. Nearly half of private renters had moved home in the past two years, compared to 20% of social renters and 16% of owner-occupiers. There were more moves recorded within tenures than between them. The level of overcrowding recorded in Mid Suffolk, at 1.4%, is lower than the national average. The proportion of employed household heads varied significantly across the tenures. Almost 85% of households with a mortgage are headed by an employed person compared to about a third in the owner-occupied (no mortgage) sector and less than a quarter in the social rented sector. Those buying with a mortgage had the highest housing costs, on average £142 per week, and households in the social rented sector the lowest, at £61 per week.
- 9.10 In terms of housing need, the data suggests that the net current need is 139, which is converted into an annual flow by assuming it will be addressed over a five year period. This equates to an annual requirement figure of 28. There is estimated to be a future need for 758 units per annum (comprising of 188 newly forming households and 570 existing households). The future supply of affordable housing to meet this need is 314 units per annum (299 social rented and 15 intermediate units – e.g. shared ownership). The total net annual housing need in Mid Suffolk is calculated by summing the net current annual need with the future annual need and subtracting the future annual supply. This generates a shortfall of 472 units (28+758-314).

Suffolk Coastal Local Housing Assessment, 2007

- 9.11 According to the report, Suffolk Coastal's dwelling stock is more modern than the national average, but also with more owner-occupied dwellings and more detached houses. Overall it identified 14,240 dwellings as non-decent, which represents 26.1% of the stock, below the national average of 30.1%. It argued that there is a strong association between low income, low council tax band and non-decent dwellings. This is particularly true for vulnerable occupiers where nearly 68% of non-decent dwellings are in Council Tax bands A to C and have a household income below £15,000 per annum.
- 9.12 Importantly, the report determined that 5,193 (10.3%) of Suffolk Coastal's established households were currently living in unsuitable housing, of which 316 need to move within the area to resolve their housing problems and cannot afford to buy or rent market housing – they are in housing need. In addition, the report identifies a further need of 114 units from newly forming households. Further, the report states that there is a need for 2,335 new dwellings over the period 2007-2012 equating to 467 new dwellings per annum. Finally, it states that the balance of housing requirements is for 19% social housing, 5% intermediate and 76% market housing. This balance is determined on the basis of affordability, assuming that the relationship between house prices and income remains constant.

9.13 The table below shows the estimated annual need from each authority’s housing needs assessment/survey. In purely numeric terms the highest need has been found in Ipswich (at 798 per annum) with the smallest in Babergh (369 units). If the data is standardized by the estimated number of households in each area at the time of the report then it is found that the highest proportionate need is in Ipswich with the lowest in Suffolk Coastal.

Table 9.1 Annual need for affordable housing			
Area	Annual net affordable need	Estimated number of households	Need per 1,000 households
Babergh	369	37,000	10.0
Ipswich	798	51,700	15.4
Mid Suffolk	472	38,500	12.3
Suffolk Coastal	430	50,400	8.5
Study area	1,753	177,600	9.9

Source: Local housing needs surveys/assessments

9.14 The reports also provide an indication as to the tenure of affordable housing required to meet this need. The table below shows the proportion of the affordable requirement that should be intermediate housing and the proportion that should be social rented in each authority. The table indicates that across the study area a third of the affordable housing requirement should be intermediate. The proportion does not vary greatly between the authorities of Ipswich, Suffolk Coastal and Mid Suffolk, but Babergh records a notably higher intermediate requirement than the other three areas.

Table 9.2 Type of housing suitable to meet housing need			
Area	Intermediate	Social rented	Total
Ipswich	14.2%	85.8%	100.0%
Babergh	75.0%	25.0%	100.0%
Mid Suffolk	23.8%	76.2%	100.0%
Suffolk Coastal	22.2%	77.8%	100.0%
Study area	36.3%	63.7%	100.0%

Source: Local housing needs surveys/assessments

9.15 Before the model is discussed in detail it is necessary to define housing need. The Practice Guidance defines housing need as:

‘Households who are unable to access suitable housing without some financial assistance.’

9.16 This means households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market. Households who are not in housing need but would like affordable housing are excluded.

Assessing housing need

- 9.17 This chapter presents the results of the three stages of the housing needs assessment model. The three stages identified in the Strategic Housing Market Assessment Practice Guidance are: Current need (gross), Future need and Affordable housing supply and each will be dealt with individually. The affordable housing supply stage is split between current stock and future supply. Please note that one reason for the difference between the housing needs calculations of previous Housing Needs Survey reports (as above) and Fordham Research's housing needs calculations below is that the latter uses the latest available housing data.
- 9.18 Within each of the three broad stages set out in the table below there are a number of detailed calculations (16 in total) many of which themselves have a number of components. This chapter presents details of how each of these 16 steps is calculated using locally available data in the study area.

Table 9.3 Steps required for the calculation of the affordable housing requirement

<p>Stage and step in calculation</p> <p>STAGE 1: CURRENT NEED (Gross)</p> <p>1.1 Homeless households and those in temporary accommodation</p> <p>1.2 Overcrowding and concealed households</p> <p>1.3 Other groups</p> <p>1.4 Total current housing need (gross)</p> <p>STAGE 2: FUTURE NEED</p> <p>2.1 New household formation (gross per year)</p> <p>2.2 Proportion of new households unable to buy or rent in the market</p> <p>2.3 Existing households falling into need</p> <p>2.4 Total newly arising housing need (gross per year)</p> <p>STAGE 3: AFFORDABLE HOUSING SUPPLY</p> <p>3.1 Affordable dwellings occupied by households in need</p> <p>3.2 Surplus stock</p> <p>3.3 Committed supply of affordable housing</p> <p>3.4 Units to be taken out of management</p> <p>3.5 Total affordable housing stock available</p> <p>3.6 Annual supply of social re-lets (net)</p> <p>3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels</p> <p>3.8 Annual supply of affordable housing</p>

Source: CLG March 2007 Strategic Housing Market Assessments Practice Guidance

- 9.19 The Practice Guidance sets out a further two stages within the housing needs section that describe how the outputs from this model should be used:
- Housing requirements of households in need
 - Bringing the evidence together

- 9.20 The housing requirements of households in need stage derives the size, location and type of affordable housing required. The bringing the evidence together stage calculates the net annual requirement for affordable housing and the implied proportion of all future housing in each authority which should be affordable. This chapter will also produce these results.
- 9.21 The calculation of housing need presented in this chapter is based solely on secondary data in line with the Practice Guidance and the guidance of the steering group. Whilst the majority of data is derived from robust secondary sources collated at the national level, it is necessary to use data held locally by each council, particularly the Housing Register. Previous housing needs estimates based principally on housing registers have been criticised because the quality of this data has been found to vary depending on individual local definitions, the in-house data management systems in place and the regularity with which the data is reviewed. To minimise the error associated with the use of locally held data the model presented has been simplified, although the approach used is still in accordance with the Practice Guidance.

STAGE 5.1: Current need (gross)

- 9.22 This is an assessment of households that are currently in unsuitable housing, split between those that are currently homeless, those that reside within the affordable sector currently and those in other tenures. The CLG Guidance sets out a series of nine criteria for unsuitable housing:
- Homeless households
 - Households with tenure under notice, real threat of notice or lease coming to an end; housing that is too expensive for households in receipt of Housing Benefit or in arrears due to expense
 - Households overcrowded according to the 'bedroom standard'
 - Dwelling too difficult to maintain (e.g. too large) even with equity release
 - Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household
 - Households containing people with mobility impairment or other specific needs living in unsuitable dwelling (e.g. accessed via steps), which cannot be made suitable in-situ
 - Dwelling lacks a bathroom, kitchen or inside WC and household does not have the resources to make fit (e.g. through equity release or grants)
 - Dwelling subject to major disrepair or unfitness and household does not have the resources to make fit (e.g. through equity release or grants)
 - Household suffers harassment from others living in the vicinity which cannot be resolved except through a move

- 9.23 The Practice Guidance acknowledges that the housing register will provide the main source of information on the majority of households in unsuitable housing. An annual profile of the housing register as of 1st April is presented in the Council's HSSA return each year.
- 9.24 The 2007 HSSA return added a further category about households on the housing register for councils to complete – those in identified housing need. The Guidance to the 2007 HSSA return indicates that these households in housing need should represent those that are in unsuitable housing. As the figure within the HSSA return only includes households not currently resident within affordable accommodation including homeless households, this figure is the best estimate of the number of households in unsuitable housing outside of the affordable sector.
- 9.25 Households resident in unsuitable housing within the affordable sector create no net need for affordable housing as when they move they release an affordable dwelling for another household to inhabit. Households in unsuitable housing in the affordable sector also form part of the supply estimate at Stage 3.1. That these households create no net requirement for affordable housing is acknowledged in the Guidance. As these two stages cancel each other out and there is no accurate estimate of the number of unsuitably housed households in need within the affordable sector in each individual authority it is appropriate to exclude this figure from the model.
- 9.26 The table below shows the number of households in unsuitable housing not currently resident in the affordable sector. Information from the most recent P1E form provided by the Councils presents an indication of the number of homeless households within this estimate of all unsuitably housed households.
- 9.27 The table shows that Ipswich has the largest number of households in unsuitable housing (excluding those resident in the affordable sector), whilst Suffolk Coastal displays the smallest number of unsuitably housed households.

Table 9.4 Households in unsuitable housing not resident in the affordable sector

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Households in unsuitable housing not resident in the affordable sector	3,266	966	1,557	217	6,006
Estimated number of these households that are homeless	129*	11*	7**	28*	175

Source: HSSA 2007, *P(1)E Dec 2007, **P(1)E June 2007

Affordability of unsuitably housed households

- 9.28 The Practice Guidance acknowledges that some of these unsuitably housed households are likely to be able to afford market housing in the area. Unfortunately there is no information available on the financial situation of each of these particular households and it is not possible to accurately examine their ability to afford entry-level market costs. The Practice Guidance, however, suggests that the income profile of overcrowded households from the Survey of English Housing adjusted to the difference between national incomes and local incomes using other secondary data could be used as a proxy for the income of all unsuitably housed households.
- 9.29 The latest data available from the Survey of English Housing records that nationally overcrowded households have an average income of £20,966 per year. The 2007 Annual Survey of Hours and Earnings (ASHE) indicates that the median earnings of local residents in full-time employment are 102.9% of the national median in Suffolk Coastal, 95.6% of the national median in Mid Suffolk, 89.6% in Ipswich and 85.3% in Babergh.
- 9.30 This provides an estimated average household income for unsuitably housed households in each authority of the study area. It is assumed that the income distribution of these households is equivalent to that recorded for the earnings of local residents in full-time employment in each authority according to the results of the 2007 ASHE.
- 9.31 The entry-level cost of both owner-occupied and private rented housing set out in Chapter 7 is compared to the income distribution of these households. The point at which the income is sufficient for entry-level market costs to be affordable according to the affordability ratios. It is assumed that all homeless households are unable to afford entry-level market costs.
- 9.32 The table below sets out the estimated proportions of unsuitably housed households able to afford market housing using this approach. The table shows that it is estimated that unsuitably housed households in Mid Suffolk are most likely to be able to afford entry-level market housing, whilst unsuitably housed households in Babergh are least likely.

Table 9.5 Affordability of households in unsuitable housing not resident in the affordable sector

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Households in unsuitable housing not resident in the affordable sector	3,266	966	1,557	217	6,006
Proportion able to afford entry-level market housing	38.0%	27.1%	44.8%	37.7%	38.0%
Households in unsuitable housing requiring affordable accommodation	2,025	704	859	135	3,723

Source: HSSA, Fordham Research 2007

9.33 The table shows that there are some 3,723 households in unsuitable housing that are in need of affordable housing (excluding those resident in the affordable sector) across the study area. This figure represents the estimate for total current need across the study area at the end of stage one of the model.

STAGE 5.2: Future need

9.34 In addition to the current needs discussed so far in this chapter there will be future need. This is split, as per the Guidance's model, into two main categories; newly forming households (× proportion unable to buy or rent in market) and existing households falling into need.

Step 5.2.1 New household formation

9.35 The headship rate for each five year age cohort between the ages of 15 and 54 was calculated using information for the 2001 Census on the number of people and number of household heads within each age cohort. This headship rate was then applied to the population projections between 2007 and 2012 to identify the projected number of households likely to form in the study area over the next five years. This figure is then averaged to provide an annual estimate for the number of newly forming households. This approach is compliant with the procedure described in the annex to the Guidance on suitable methodologies for deriving estimates of future household formation.

9.36 The table below presents the estimated number of new households likely to form each year across the study area alongside the estimated rate of household formation of newly forming households as a proportion of all households. The table shows that in both relative and absolute terms it is expected that Ipswich will witness the largest number of newly forming households. It should be noted that the Survey of English Housing estimates that the new household formation rate is 1.9% across England, so the rate projected in each authority is similar to that found nationally.

Table 9.6 Projected number of newly forming households and household formation rate

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Number of newly forming households	1,168	738	782	1,065	3,754
Number of existing households	52,400	36,400	38,400	52,800	180,000
Households formation rate	2.2%	2.0%	2.0%	2.0%	2.1%

Source: Fordham Research 2007

Step 5.2.2 Proportion unable to afford entry-level market housing

- 9.37 As there is no existing income profile for newly forming households available from secondary sources it has been necessary to derive an approximate income distribution using a variety of sources.
- 9.38 Steve Wilcox at the Joseph Rowntree Foundation undertook research into the ability of young households to afford market housing in each authority area in Great Britain within the report, *'The geography of affordable and unaffordable housing and the ability of younger working households to become home owners'* (2006). He obtained further data from the Annual Survey of Hours and Earnings of 2003-2005 (up-rated to 2005) to model the average income of households with a 'household representative person' aged 20 and 39 in employment. This is a very useful indicator for the incomes of newly forming households since the data on household formation indicates that 77.7% of newly forming households in the study area come from within this age band.
- 9.39 Whilst this study just presented a mean household income, it is assumed that the income distribution of these households is equivalent to that recorded for the earnings of local residents in full-time employment in each authority according to the results of the 2005 ASHE, on which this modelled data was based. This income distribution of these newly forming households can be compared to the entry-level costs for market housing in each authority and the point at which the income is sufficient for entry-level market costs to be affordable according to the affordability ratios used by the Guidance (set out in Chapter 7) is estimated.
- 9.40 As the Joseph Rowntree Foundation research is based on the incomes of employed households it is necessary to also consider households forming that do not have an employed member. The 2001 census holds data on the economic status of household heads in each five year age cohort at a local authority level. The rate of unemployment amongst household heads in each age cohort can be applied to the estimate for the total number of households forming within that age cohort in each individual authority. This provides an estimate of the number of newly forming households that will not have an employed household head each year. It is assumed that all of these households are unable to afford entry-level market costs.
- 9.41 The table below sets out the estimated proportions of newly formed households unable to afford market housing using this approach. The table shows that it is estimated that newly formed households in Suffolk Coastal are most likely to be able to afford entry-level market housing, whilst newly formed households in Ipswich are least likely. Despite containing the lowest average property prices in the study area, one reason for the lack of affordability in Ipswich is that it also contains the lowest average income of £21,601 per annum (see Figure 5.20).

Table 9.7 Affordability of newly forming households

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Number of newly forming households	1,168	738	782	1,065	3,754
Proportion unable to afford entry-level market housing	61.5%	56.4%	59.6%	55.0%	58.2%
Number of newly forming households requiring affordable accommodation	718	416	466	585	2,186

Source: Fordham Research 2007

Step 5.2.3 Existing households falling into need

- 9.42 The Guidance recommends that this figure is derived by looking at recent changes to the number of households on the housing register. This can be done by reference to each Council's HSSA returns between 2004 and 2007. The overall change in the number of households on the housing register between 2004 and 2007 is then collected and an annual average is then calculated for the three year period.
- 9.43 Changes in the number of households on the housing register between 2004 and 2007 in Mid Suffolk did not accurately reflect the overall recent pattern of changes to the number of households on the housing register in the District. In Mid Suffolk therefore it was decided to look at changes in the housing register over the four year period between 2003 and 2007.
- 9.44 The change in households on the housing register each year will however include newly forming households, which have featured in the previous step. To reduce the opportunity for double counting it is necessary to estimate the likely number of newly forming households that are added to the housing register each year. There is no information directly from the housing register on the number of these households; however CORE data provides an estimate of the number of social rented lets each year taken by newly forming households in each authority. If it is assumed that the proportion of social rented lets accessed by newly forming households is the same as the proportion of households joining the housing register that are newly forming households, it is possible to calculate an estimate for the number of newly forming households that are part of the change recorded to the housing register by the HSSA.
- 9.45 The table below shows the annual change in the number of households on the housing register between 2004 and 2007 (2003 and 2007 in Mid Suffolk) according to the HSSA returns. This represents the estimated number of all households falling into need each year (based on past trends rather than projections). The table also shows the number of these households that it is estimated are newly forming households. These newly forming households are removed from the first row and the total number of existing households falling into need each year is derived.

9.46 The table indicates that Ipswich records the highest number of existing households falling into need each year, whilst Mid Suffolk records the lowest. There is a net supply of affordable homes from changes to the number of households on the waiting list in Suffolk Coastal, however it is not considered as a supply at this stage otherwise it would double-count with the calculation of the future supply of affordable housing within steps 3.6 to 3.8. At this stage the number of existing households falling into need in the Suffolk Coastal area is simply assessed as zero.

9.47 However, it should be noted that within Suffolk Coastal, the housing register information is not directly comparable with that of the other authorities as the RSL which maintains the Waiting List on the Council's behalf currently only registers those households it thinks can be housed within twelve months. It does not register other households who are currently in unsuitable housing and therefore still in housing need.

Table 9.8 Number of existing households falling into need

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Number of all households falling into need each year	439	135	24	0	598
Minus any newly forming households	84	30	5	0	119
Number of existing households falling into need each year	355	105	19	0	479

Source: Fordham Research 2007

Step 5.2.4 Total newly arising need

9.48 The data from each of the above sources can now be put into the needs assessment table below. It indicates that additional need will arise from a total of 2,665 households per annum across the study area.

Table 9.9 Stage 2: Future need (per annum)

Step	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
2.1 New household formation (gross per year)	1,168	738	782	1,065	3,754
2.2 Proportion of new households unable to buy or rent in the market	61.5%	56.4%	59.6%	55.0%	58.2%
2.3 Existing households falling into need	355	105	19	0	479
2.4 Total newly arising housing need (gross per year)	1,074	521	485	585	2,665

Source: Fordham Research 2007

STAGE 5.3: Affordable housing supply

9.49 The affordable housing supply stage is split between existing stock that is available to offset the current need and the likely future level of supply. The existing supply includes stock from current occupiers of affordable housing in need, surplus stock from vacant properties and committed supply of new affordable units. Units to be taken out of management are removed from the calculation. The future supply of affordable units comes from two sources, relets within the social rented stock and relets within the intermediate stock.

Step 5.3.1 Affordable dwellings occupied by households in need

9.50 The need arising from these households forms part of the model at stage one, however because no accurate estimate for this figure is available across the individual authorities and it has a net effect of zero, this figure will be excluded from stage 1 and this step.

Step 5.3.2 Surplus stock

9.51 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The Practice Guidance suggests that if the vacancy rate in the affordable stock is in excess of 3% then these should be considered as surplus stock which can be included within the supply to offset needs. Chapter 7 showed that all authorities in the study area record a vacancy rate in the social rented sector of less than 3%; therefore no adjustment needs to be made to the figures.

Step 5.3.3 Committed supply of new affordable units

9.52 The Practice Guidance recommends that this part of the assessment includes 'new social rented and intermediate housing which are committed to be built over the period of the assessment'. For the purposes of analysis we have taken HSSA data showing the number of planned and proposed affordable units for the period 2007-2009 as a guide to new provision.

9.53 The table below shows the number of affordable dwellings planned or proposed for this two year period in each authority from the 2007 HSSA. The table indicates that some 71.7% of the committed supply of affordable housing in the study area is located in Babergh and Ipswich.

Table 9.10 Stage 3.3: Committed supply of new affordable units

Step	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
3.3 Committed supply	657	463	253	190	1,563

Source: HSSA 2007

Step 5.3.4 Units to be taken out of management

9.54 The Practice Guidance states that this stage ‘involves estimating the numbers of social rented or intermediate units that will be taken out of management’. The main component of this step will be properties which are expected to be demolished or replacement schemes that lead to net losses of stock. Councils were asked to indicate the number of affordable units currently planned for demolition and the results. At the time of reporting, the proposed number of affordable dwellings expected to be ‘taken out of management’ in the future had only been reported in Suffolk Coastal, where there are no plans to demolish any affordable homes. For this first draft a figure of zero has therefore been used for all authorities in this step of the model.

Step 5.3.5 Total affordable housing stock available

9.55 This step is the culmination of the previous four and represents the total existing stock available. It is calculated by the sum of steps 3.1 to 3.3, followed by the deduction of step 3.4, as is presented in the table below. The data shows that there are an estimated 1,563 properties available to offset the current need in the study area.

Table 9.11 Stage 3: Total affordable housing stock available

Step	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
3.1 Affordable dwellings occupied by households in need	-	-	-	-	-
3.2 Surplus stock	0	0	0	0	0
3.3 Committed supply of affordable housing	657	463	253	190	1,563
3.4 Units to be taken out of management	0	0	0	0	0
3.5 Total affordable housing stock available	657	463	253	190	1,563

Source: Fordham Research 2007

Step 5.3.6 Future annual supply of social re-lets (net)

- 9.56 Step 3.6 of the model is an estimate of likely future relets from the social rented stock (excluding transfers within the social rented sector). The Guidance suggests that this should be based on past trend data which can be taken as a prediction for the future. The Guidance also suggests the use of a three year average, to be consistent with the approach at step 2.3.
- 9.57 CORE data is used as the source for relets (excluding transfers) within the RSL sector, whilst the HSSA is used for relets (excluding transfers) within the Council rented sector. The HSSA also provides an estimate of the number of households transferring between the two social rented tenures.
- 9.58 The table below presents the figures for the supply of lettings (re-lets) from social stock over the past three years contained within the 2007 HSSA and CORE data. The table indicates that Ipswich has the highest average number of lettings over the three-year period at 630 per annum. Babergh has the lowest average number of lettings at 240 dwellings per annum.

Table 9.12 Analysis of past housing supply – social rented sector					
Year	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
2004/05	690	201	183	419	1,493
2005/06	656	225	355	321	1,557
2006/07	543	295	237	330	1,405
Average	630	240	258	357	1,485

Source: HSSA 2007

- 9.59 It is important to note that CORE is used as the source for relets within the RSL sector as the Practice Guidance indicates that this is the preferred source, however there may be a difference between the RSL relet figures recorded by CORE and those in the HSSA return where authorities have their own mechanisms for gathering data on RSL lettings.

Step 5.3.7 Future annual supply of intermediate affordable housing

- 9.60 The amount of intermediate housing (mostly shared ownership) available in the stock is fairly limited in the study area. However, it is still important to consider to what extent the current supply may be able to help those in need of affordable housing. Therefore we include an estimate of the number of shared ownership units that become available each year.

- 9.61 The current number of shared ownership units in each authority can be determined from housing corporation data on the size of the stock in 2004 alongside information about recent completions of intermediate housing since 2004 from the HSSA data.
- 9.62 It is assumed that the relet rate for shared ownership properties is the same as that recorded for the social rented sector (excluding transfers). This relet rate is applied to the estimated shared ownership stock level to derive an estimated annual supply of shared ownership accommodation. The table below shows the calculation of the shared ownership supply in each district.

Table 9.13 Calculation of relets from the intermediate stock

Component	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Estimated size of the intermediate stock	219	157	174	113	663
Social rented sector relet rate (excluding transfers)	4.4%	6.2%	5.2%	5.4%	5.3%
Annual supply of intermediate housing	10	10	9	6	35

Source: Fordham Research Housing Corporation 2004, HSSA 2007

Step 5.3.8 Future annual supply of affordable housing units

- 9.63 This step is the sum of the previous two. The total future supply in the study area is estimated to be 1,518, comprised of 1,485 units of social re-lets and 33 units of shared ownership. This is shown in the below table.

Table 9.14 Future supply of affordable housing (per annum)

Step	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
3.6 Annual supply of social re-lets (net)	630	240	258	357	1,485
3.7 Annual supply of intermediate housing available for re-let or resale at sub-market levels	10	10	9	6	35
3.8 Annual supply of affordable housing	640	250	267	363	1,520

Source: Fordham Research 2007

STAGES 4 & 5: Use of model results

9.64 Stages 4 and 5 of the housing need chapter in the Guidance relate to the housing requirements of households in need and bringing the evidence together. The analysis required within these two stages will be presented in a different order to that shown in the Guidance to ensure that it is easy to follow. This section does however contain all of the required outputs from these two stages.

Step 5.5.1 Estimate of net annual housing need

9.65 The table below shows the final figures in the housing needs assessment model. This brings together the three preceding stages that were calculated above.

Table 9.15 Housing needs assessment model for the study area						
Step	Notes	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
STAGE 1: CURRENT NEED (Gross)						
All steps combined and						
1.1 to 1.4	unsuitably household households in the affordable sector excluded	2,025	704	859	135	3,723
STAGE 2: FUTURE NEED						
2.1		1,168	738	782	1,065	3,754
2.2		61.5%	56.4%	59.6%	55.0%	58.2%
2.3		355	105	19	0	479
2.4	(2.1x2.2)+2.3	1,074	521	485	585	2,665
STAGE 3: AFFORDABLE HOUSING SUPPLY						
3.1		-	-	-	-	-
3.2		0	0	0	0	0
3.3		657	463	253	190	1,563
3.4		0	0	0	0	0
3.5	3.1+3.2+3.3-3.4	657	463	253	190	1,563
3.6		630	240	258	357	1,485
3.7		10	10	9	6	35
3.8	3.6+3.7	640	250	267	363	1,520

Source: Fordham Research 2007

9.66 The Guidance states that these figures need to be annualised to establish an overall estimate of net housing need. The first step in this process is to calculate the net current need. This is derived by subtracting the estimated total stock of affordable housing available (step 3.5) from the gross current need (stage 1).

- 9.67 The second step is to convert this net backlog need figure into an annual flow. The Guidance acknowledges that this backlog can be addressed over any length of time although a period of less than five years should be avoided. For the purposes of this study the quota of five years proposed in the Guidance will be used. Therefore to annualize the net current need figure it will be divided by five.
- 9.68 The final step is to sum the net annual quota of households who should have their needs addressed with the total newly arising housing need (step 2.4) and subtract the future annual supply of affordable housing (step 3.8). The table below illustrates how these further steps are calculated for each district in the study area.

Table 9.16 Derivation of annual net need for affordable housing in the study area

Step in calculation	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Net current need	1,368	241	606	-55	2,160
Annualised net current need	274	48	121	-11	432
Step 2.4	1,074	521	485	585	2,665
Step 3.8	640	250	267	363	1,520
Total net annual housing need	708	319	339	211	1,577

Source: Fordham Research 2007

- 9.69 This table shows that the total net annual housing need in the study area is for 1,577 affordable dwellings per annum comprised of 708 dwellings in Ipswich, 339 units in Mid Suffolk, 319 homes in Babergh and 211 units in Suffolk Coastal.

Step 5.4.3 The private rented sector

- 9.70 The Guidance acknowledges that it is important for SHMA partnerships to understand the role of the private rented sector in accommodating households in housing need. The Guidance indicates that the number of households in the private rented sector on Housing Benefit should be recorded. Each Council was asked to provide their latest estimate for this figure. The results are presented in the table below. The figure for Ipswich however also includes those in RSL accommodation on housing benefit.

Table 9.17 Number of households in the private rented sector on Housing Benefit

	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Number of households	452	800	681	1,523	2,323

Source: Council information

Implied market housing requirement

9.71 The Guidance indicates that the figure for the net annual need for affordable housing should be compared to the number of new dwellings to be built each year documented in Chapter 2 to derive an estimate for the number of all dwellings that should be affordable. This is presented in the table below.

Table 9.18 Annual housing provision compared to requirement for affordable housing

Area	Annual housing provision 2001 to 2021*	Annual net need for affordable housing	Implied proportion of dwellings that should be affordable
Ipswich	770	708	91.9%
Babergh	280	319	113.9%
Mid Suffolk	415	339	81.7%
Suffolk Coastal	510	211	41.4%
Study area	1,975	1,577	79.8%

Source: East of England Plan Revised December 2006, Fordham Research 2007

* This is the housing provision proposed in each authority in the RSS including the requirement within each authority boundary that is within the Ipswich Policy Area. The figures do not take into account any dwellings that have been built since 2001

9.72 The table shows that in Babergh the annual requirement for affordable housing exceeds the annual provision of housing. It is clear that if all of the identified housing need is going to be met within the affordable sector in this authority then the level of future housing provision will have to increase. If it is not possible to increase the provision of new housing, the private rented sector will continue to be used to house households in need.

9.73 The other three authorities record an implied proportion of affordable accommodation that is technically achievable. However, the proportions indicated may not be realistic.

9.74 It may be useful to compare the housing needs figures produced by various Housing Needs studies between 2004 and 2007 (as first noted in section 9.2) with the results of Table 9.18 above.

9.75 First, it is notable that the housing needs estimates for the whole study area are broadly similar with the Housing Needs Surveys (2004-2007) suggesting a total affordable housing need estimate of 1,753 dwellings compared with an estimated 1,577 dwellings calculated by the method described in this chapter. There are also some differences in the housing needs estimates for specific local authorities with the largest being in Mid Suffolk where the calculations in this chapter suggest the need for 133 fewer affordable dwellings per annum compared with the previous housing needs study. It is likely that such differences are due to the slightly different methods used to calculate housing needs used by different consultants, although as noted above, the calculations adhere to CLG Guidance.

9.76 Overall however the primary data based needs estimates can be considered more accurate and the results on which policy should be formed. This is because in the primary data assessment the affordability test is applied to the households that have been identified as potentially in need, whilst the secondary data model assumes the general income distribution of earners in each authority is the same as the profile of the households potentially in need. Furthermore the primary data estimate contains details of the type of households in need and can therefore determine the type and size of affordable housing required specifically for these households.

Table 9.19 Difference between Housing Needs Survey and present estimates of housing need			
Area	Annual Housing Needs Estimates (2004-2007)	Annual net need for affordable housing (2008)	Difference
Ipswich	798	708	-90
Babergh	369	319	-50
Mid Suffolk	472	339	-133
Suffolk Coastal	114	211	97
Study area	1,753	1,577	-176

Sources: Housing Needs Surveys and Fordham Research, 2008

Step 5.4.2 Size of affordable housing required

9.77 The Practice Guidance states that the size profile of affordable housing required should be informed by data on the size of homes required by households on the waiting list. The table below shows the proportion of households on the waiting list requiring a dwelling of a particular size in each district. Ipswich Borough Council provided further information on the size of affordable housing required by different types of households on the waiting list. The information for Ipswich presented in the table below therefore shows the size of affordable accommodation required by only those households on the waiting and transfer list in priority need. This information is not completed within the 2007 HSSA return for Mid Suffolk.

9.78 The table shows that one bedroom accommodation is most commonly required in Ipswich and Suffolk Coastal, whilst two bedroom dwellings are the most common requirement in Babergh and Mid Suffolk. Mid Suffolk records the highest proportion of households that require a dwelling with three or more bedrooms.

Table 9.20 Size of affordable accommodation required by households in need

Bedrooms required	Ipswich	Babergh	Mid Suffolk*	Suffolk Coastal	Study area
1	46.1%	31.6%	16.2%	43.8%	32.3%
2	30.3%	45.8%	46.5%	29.5%	31.4%
3	18.4%	18.7%	29.1%	19.3%	25.1%
4+	5.1%	3.9%	8.2%	7.4%	11.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: HSSA, 2007 Fordham Research 2007

* Figures derive from the Mid Suffolk 2008 Housing Needs Report

9.79 It is important to note that the figures represent the requirement for affordable housing gross of any supply and that because smaller dwellings in the social rented sector tend to have a higher turnover rate the size profile, once the likely supply has been discounted, may be different.

Status of intermediate housing

9.80 The Guidance identifies that there are two types of affordable housing suitable to meet the identified housing need - social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. The Guidance indicates that affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire). This is clearly identified on page 25 of PPS3 which states:

'Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.*
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision'.*

9.81 Evidence of the potential demand for intermediate housing can be obtained from the 2005 Joseph Rowntree Foundation (JRF) report entitled *'Affordability and the Intermediate Housing Market'*, which examined the size of two possible intermediate housing bands in each authority in Great Britain. Within this report two distinct definitions of intermediate housing are used. These are:

- Broad definition – the proportion of working households unable to purchase at lower quartile property prices
- Narrow definition – the proportion of working households that can afford to pay a social rent (without the need for Housing Benefit), but who cannot buy at lowest decile property prices

Broad intermediate housing market

Not in work	In work but on Housing Benefit	Not on Housing Benefit but cannot buy at lower decile level	Cannot buy at lower quartile level	Can buy at lower quartile level
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Narrow intermediate housing market

9.82 The table below shows the proportion of households in each of the various authorities along with the East and England who are able to afford intermediate housing according to the JRF research. The table shows that within the study area the proportion able to afford either the broad or narrow definition is greatest in Babergh and smallest in Ipswich. It is clear that the potential for intermediate housing is greatest in Babergh and Mid Suffolk as a larger proportion of households can afford housing which falls under the narrow definition than is recorded in the East region as a whole.

Table 9.21 JRF intermediate housing affordability		
Area	Broad definition	Narrow definition
Ipswich	41.1%	20.1%
Babergh	56.3%	31.5%
Mid Suffolk	46.2%	31.4%
Suffolk Coastal	45.8%	28.4%
Study Area	47.4%	27.9%
East	47.2%	28.6%
England	43.3%	23.5%

Source: JRF Affordability and the intermediate housing market (2005)

9.83 It should however be noted that the narrow definition provides a more realistic estimate of the potential for intermediate housing in each authority, as those on Housing Benefit are unlikely to be able to afford the cost at which intermediate housing is typically available in each authority and many of those that cannot buy at lower quartile level (at the high end of the broad definition) will be able to afford entry-level market costs and so would not be in need of affordable housing.

Summary

This chapter presented the results of the three stages of the housing needs assessment model:

Stage 1: the current gross housing need, was calculated to be 3,723

Stage 2: the annual future need, was calculated to be 2,665 (per annum)

Within stage 3 the total affordable housing stock available was calculated to be 1,563

Within stage 3 the future annual supply of affordable housing units was calculated to be 1,520

- The Housing Needs Assessment in the study area followed the Guidance from CLG. Using this model it is estimated that the net annual housing need in the study area is 1,577
- The overall estimate of the annual requirement for affordable housing by this method compares with the aggregate findings of Housing Needs Studies for each Council. However there are differences at the individual council level especially for Suffolk Coastal District.
- Further discussion of affordable housing can be found in the remaining chapters of this report. In particular, Chapter 11 reviews current positions amongst the study area councils, while market (rent/buy) gaps and the overall state of the housing ladder are considered in Chapter 13.

10. The housing needs of specific household groups

The purpose of this chapter is to explain:

- The different housing situations of a wide range of housing groups
- Identify where possible the nature of any housing problems suffered by the group in question
- Stakeholder perspectives

Introduction

10.1 This section addresses particular groups of households. Some may have been disadvantaged, and some may not, but the additional detail upon them should be of value in considering policy options for them. It covers the following groups:

- Black and Minority Ethnic households (BME)
- Households with support needs
- Key worker households
- Older person households
- Families with children
- Gypsies and Travellers
- Migrant workers

Black and Minority Ethnic households

Introduction

10.2 One key group which is of interest to the study are households from a Black or Minority Ethnic (BME) background. Such households, as a group, are quite often found to have distinct characteristics or may be disadvantaged in some way. This chapter therefore briefly considers information about BME households. Much of the information collected has come from the 2001 Census which allows comparative information to be provided across the HMA and for benchmark areas.

10.3 For the purposes of analysis in a SHMA we are particularly interested in households, hence the majority of analysis uses information about the 'Household Reference Person' (HRP), although the first two tables concern the overall proportions of people in each ethnic group.

The BME population

10.4 The first two tables below show the proportion of people who are from each of various BME groups. The data shows that the proportion of people from BME groups within the study area is lower compared with regional and national averages. Only 4.6% of people living in the study area described themselves as belonging to a BME group compared with 7.4% regionally and 11.7% nationally. The largest BME group within the study area consists of 'White Other' at 1.7% with the size of the remaining BME groups being relatively small.

Table 10.1 Ethnic group (people)			
Ethnic group	Study Area	Eastern	England
White (British/Irish)	95.4%	92.6%	88.3%
White Other	1.7%	2.5%	2.7%
Mixed	1.1%	1.1%	1.3%
Asian	0.7%	2.3%	4.6%
Black or Black British	0.7%	0.9%	2.3%
Chinese or Other Ethnic Group	0.4%	0.6%	0.9%
BME total	4.6%	7.4%	11.8%
TOTAL	100.0%	100.0%	100.0%

Source: Office for National Statistics 2007 (from 2001 Census data)

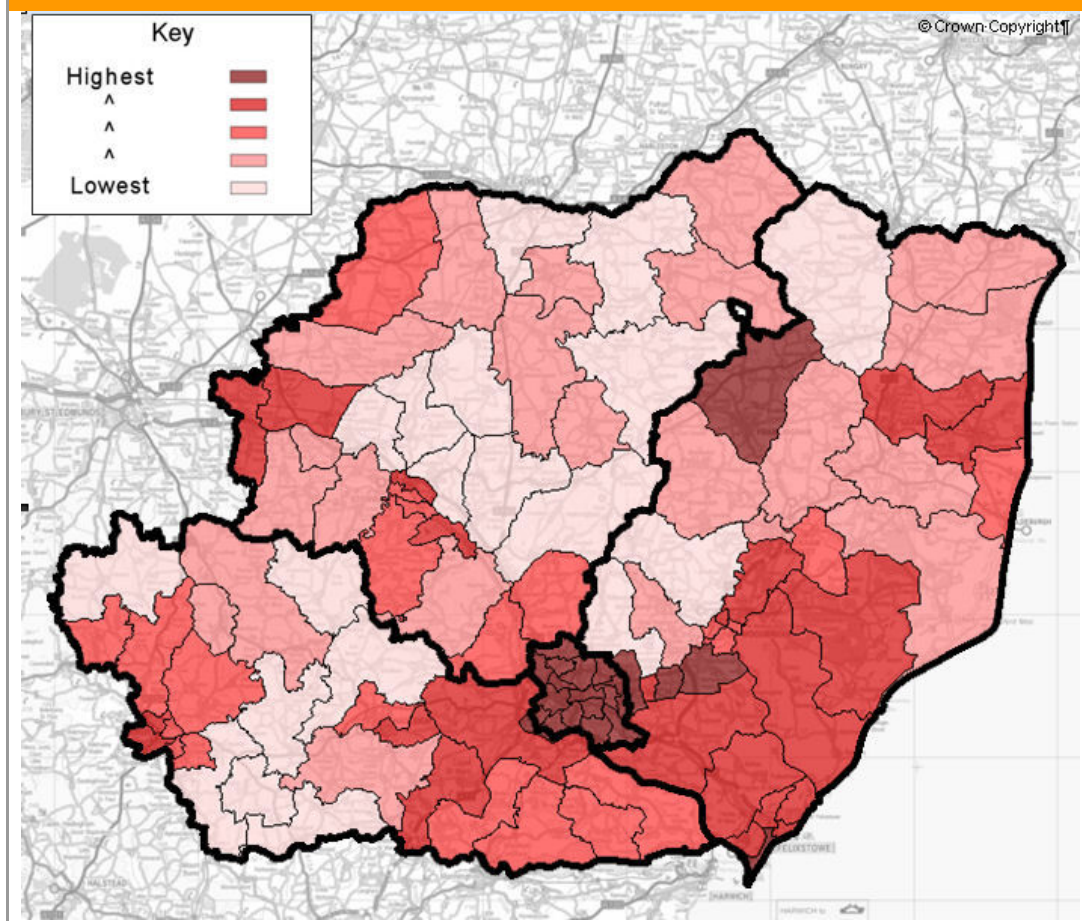
10.5 The table below shows how the BME population varies significantly between different parts of the study area. The data shows that the BME population is most concentrated within Ipswich. In this area it is estimated that around 8.5% belong to a BME group with the largest ethnic groups being 'mixed' (2.3%) and 'White Other' (2.0%).

Table 10.2 Ethnic group (people)				
Ethnic group	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal
White (British/Irish)	91.4%	97.4%	97.7%	96.4%
White Other	2.0%	1.3%	1.3%	1.8%
Mixed	2.3%	0.6%	0.5%	0.7%
Asian	1.8%	0.3%	0.1%	0.4%
Black or Black British	1.8%	0.2%	0.1%	0.2%
Chinese or Other Ethnic Group	0.6%	0.3%	0.2%	0.5%
BME total	8.5%	2.7%	2.2%	3.6%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Office for National Statistics 2007 (from 2001 Census data)

10.6 The map below shows the spatial distribution of non-White (British/Irish) households in the study area at ward level. The data clearly shows a concentration of BME households within Ipswich.

Figure 10.1 Spatial distribution of BME households in the Housing Market Area

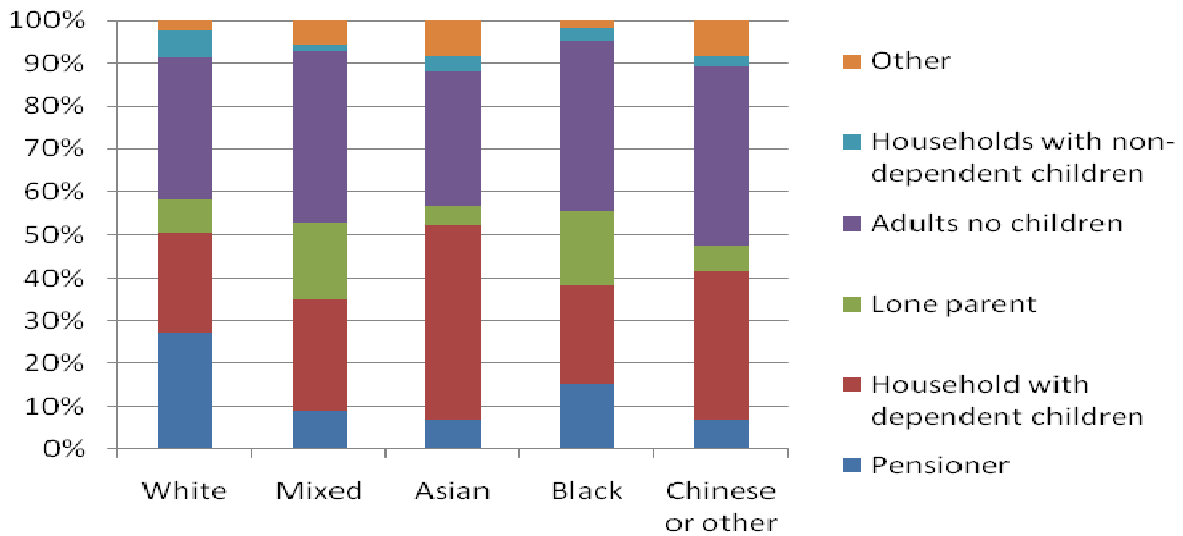


Source: Office for National Statistics 2007 (from 2001 Census data)

Household characteristics (household reference person)

- 10.7 Census data can also be used to provide some broad information about the household and housing characteristics of the BME population in the study area. The figure below looks at the household composition of the five main ethnic groups in 2001.
- 10.8 The data clearly shows that there are big differences between BME groups and the White (British/Irish) household population in terms of household composition as well as a difference between different BME groups. Other than the two White groups the data suggests that BME households are unlikely to contain only people of pensionable age, although the exception to this is Black households who (out of the non-White groups) are the most likely to contain pensioners.

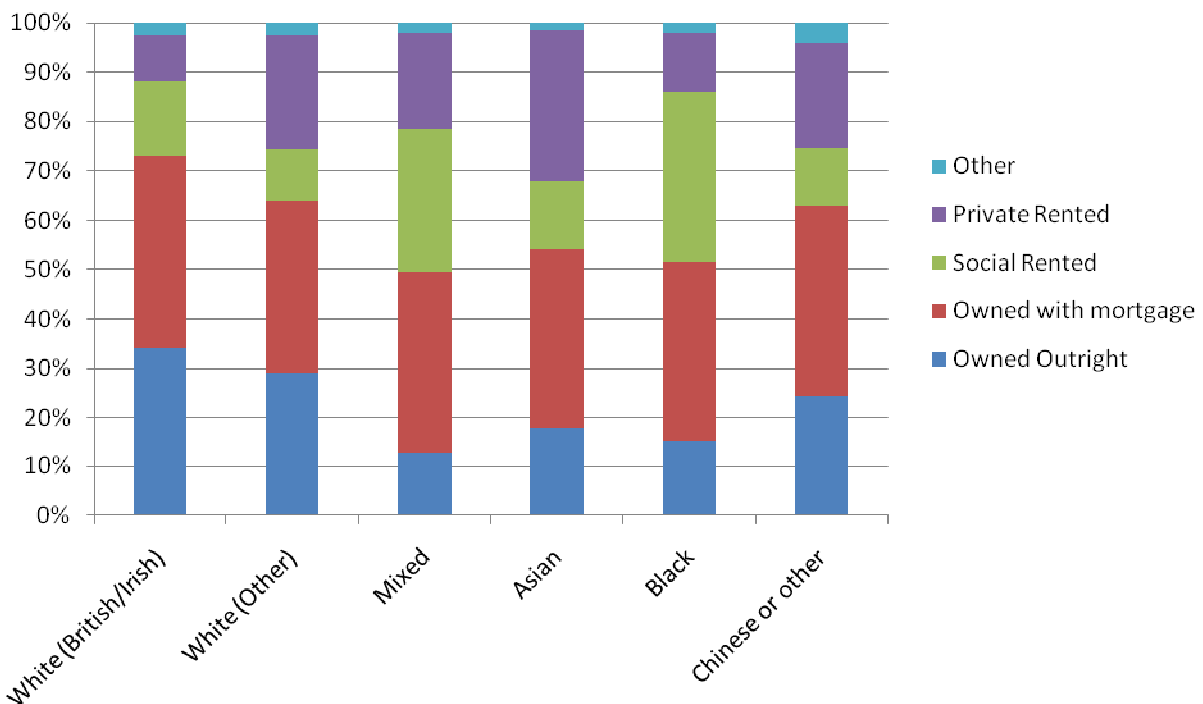
Figure 10.2 Household composition by ethnic group in the Housing Market Area



Source: Office for National Statistics 2007 (from 2001 Census data)

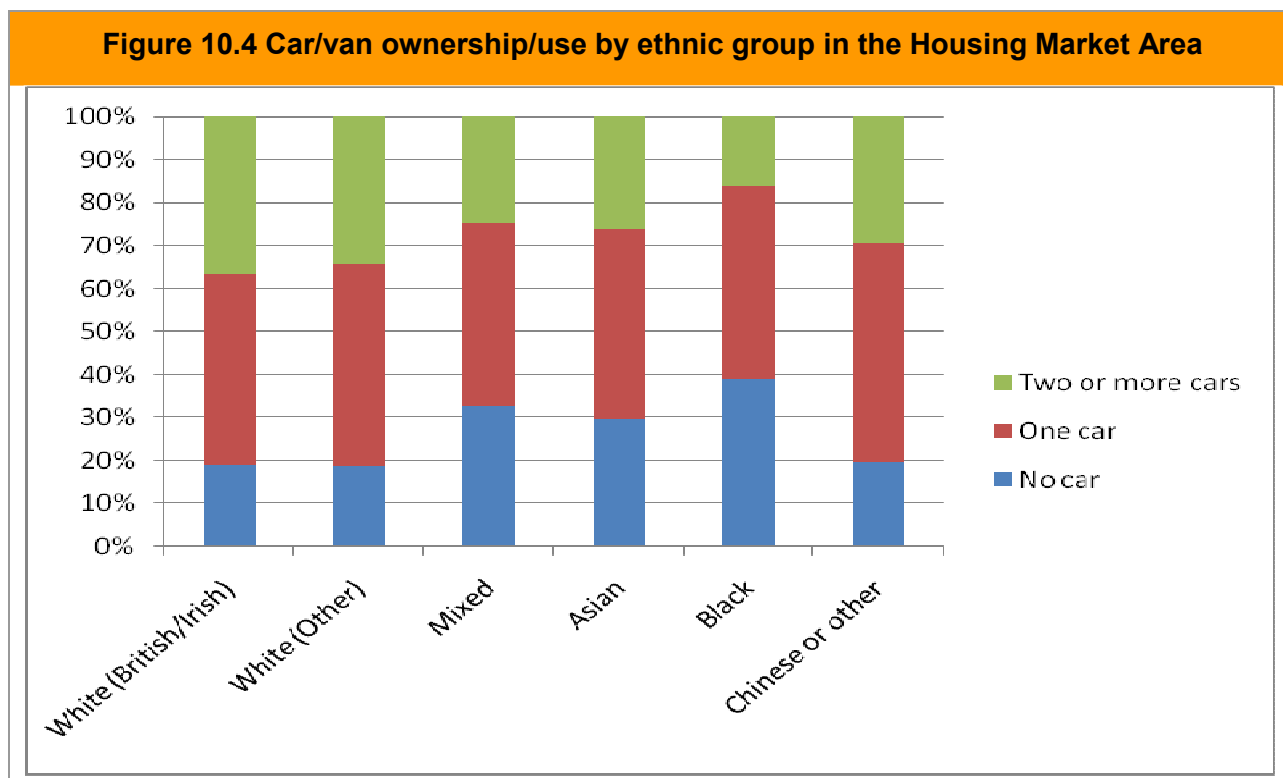
10.9 The figure below shows the tenure split of households in each of six broad ethnic groups. The data shows that White (British/Irish) households are more likely to own outright although all BME groups are only slightly less likely than White households to own with a mortgage. However, Black and Mixed households are most likely to be in the social rented sector, whilst all BME groups are more likely to reside in the private rented sector.

Figure 10.3 Tenure by ethnic group in the Housing Market Area



Source: Office for National Statistics 2007 (from 2001 Census data)

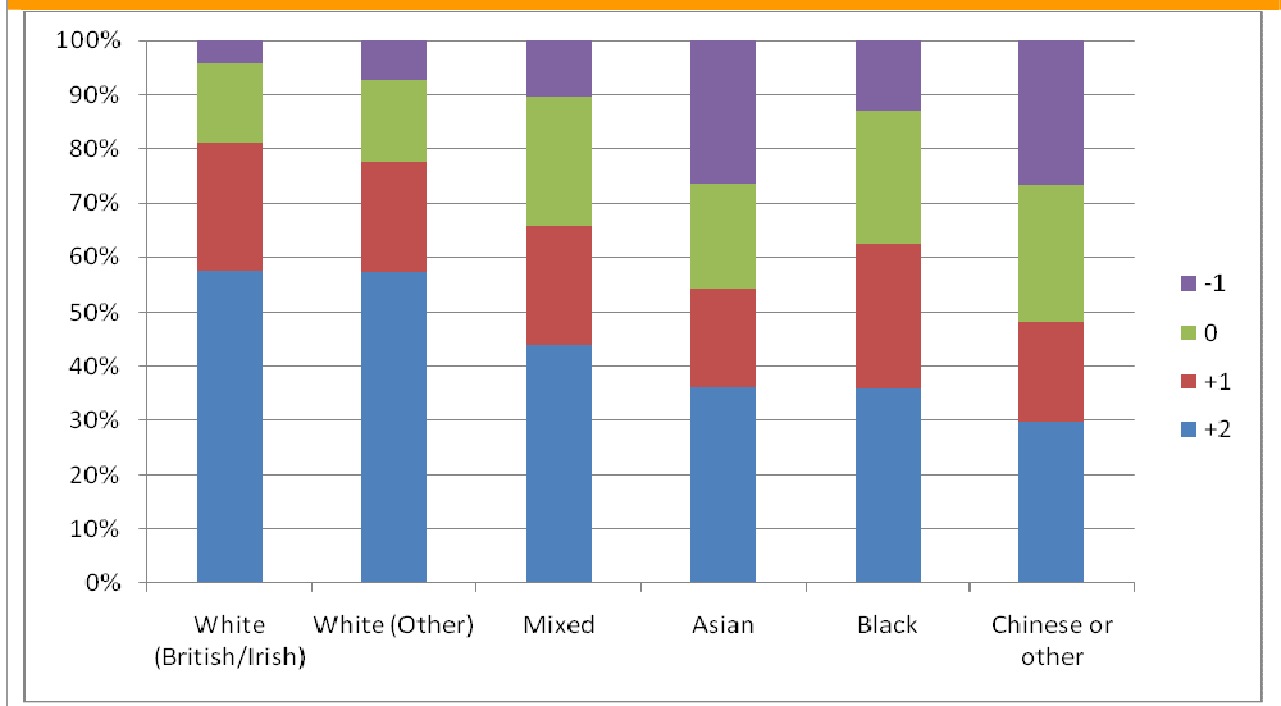
10.10 Car ownership is another useful variable when looking at the characteristics of BME households. The data shows that Black, Asian and Mixed households are the most likely not to have access to a car. People belonging to the White and White Other ethnic groups are the most likely to have access to two or more cars.



Source: Office for National Statistics 2007 (from 2001 Census data)

10.11 The figure below shows the level of overcrowding and under-occupation using the occupancy rating. The occupancy rating is a measure of overcrowding and under-occupation, where a value of -1 implies that there is one room too few, and a value of +1 or +2 implies that there is one or two too many rooms. The data shows that all BME groups are more likely to be overcrowded than White (British/Irish) households (a negative occupancy rating). In particular the Census data suggests that Chinese or Other (26.8%) and Asian households are most likely to be overcrowded (25.8% with a negative occupancy rating). This figure compares with only 4.2% of the White (British/Irish group) who are far more likely to experience under-occupation than overcrowding.

Figure 10.5 Occupancy rating by ethnic group in the study area



Source: Office for National Statistics 2007 (from 2001 Census data)

Change in BME population

10.12 The Office of National Statistics (ONS) has as part of a series of ‘experimental statistics’ provided projections of the number of people in each ethnic group by local authority. The latest figures are estimates for 2005. The table below shows estimates of population in the HMA in each broad ethnic group in 2001 and 2005.

10.13 The data shows that in the four year period there is projected to have been a significant growth in all groups other than the White (British/Irish) group. Overall the population from this source is projected to have increased by 3.8% but the increase in the Asian or Asian-British ethnic group is 129.0% with other BME groups also showing increases well above the overall HMA average.

Table 10.3 Ethnic group of population in the HMA 2001-2005

Ethnic group	2001	2005	Actual change	% change
White British/Irish	384,100	387,600	3,500	0.9%
White: Other White	6,700	9,700	3,000	44.8%
Mixed	4,100	5,700	1,600	39.0%
Asian or Asian British	3,100	7,100	4,000	129.0%
Black or Black British	2,700	4,300	1,600	59.3%
Chinese or Other Ethnic Group	1,800	3,400	1,600	88.9%
BME Total	18,400	30,200	11,800	72.2%
All People	402,500	417,800	15,300	3.8%

Source: Office for National Statistics 2007 (from 2001 Census data)

10.14 The most likely reason for such a change would be the varying demographic profiles of ethnic groups. The table below shows the age profile of White British/Irish people against BME and all residents of the study area. The results suggest that one reason for the increase in the BME population may be due to its younger age profile.

Table 10.4 Age profile by ethnicity

Age bands	All people		White British/Irish		BME	
0 to 15	80,268	19.9%	75,182	19.6%	5,086	27.6%
16 to 24	38,104	9.5%	35,705	9.3%	2,399	13.0%
25 to 49	134,033	33.3%	126,866	33.0%	7,167	38.9%
50 to 59	54,898	13.6%	53,404	13.9%	1,494	8.1%
60 to 64	20,987	5.2%	20,378	5.3%	609	3.3%
65 to 74	38,132	9.5%	37,143	9.7%	989	5.4%
75 and over	36,081	9.0%	35,419	9.2%	662	3.6%
All People	402,503	100.0%	384,097	100.0%	18,406	100.0%

Source: 2001 Census

10.15 Chapter 3 and Appendix 2 report on specific consultations with BME group representatives. The main points regarding BME groups deriving from the stakeholder process were that BME groups tended to be over-represented among those accepted as homeless in Ipswich (compared to the proportion of BME people in the town as measured by the 2001 Census). They are also over-represented on the housing register, and allocations are in line with the proportion of people on the register.

- 10.16 The reason for over representation of BME groups on the Ipswich housing register and among homeless applicants is thought to be greater relative housing need. Housing allocations are broadly in line with the overall proportion of BME households on the housing register, although this is not always true for specific BME groups. Numbers of households on the register from different BME groups are very small, so the reasons for any mismatch will be investigated on a case by case basis.
- 10.17 Stakeholders also noted that there are no clear figures about the number of asylum seekers, refugees and migrant workers who are homeless or living in poor housing conditions within the study area. Also larger BME households are caring for older or disabled relatives, but very few larger homes are built to accessibility standards and there are no large bungalows available, whilst some BME communities have little or no concept of 'affordable housing'. One barrier for members of BME groups is that cultural pride may inhibit some members from seeking help with their housing. In response, stakeholders argued that there is a need for better sources of information on housing options for members of BME groups, better community facilities for African stakeholders and more training for Customer Service Centre (CSC) staff.

Households with specific needs

- 10.18 This section examines the housing situation of people and households that contain someone with some form of disability. Such disabilities include both those with medical needs (e.g. with a physical disability) and those with support needs (e.g. with a mental health problem).
- 10.19 More specifically, the section examines Census data regarding households with a limiting long-term illness (LLTI) and draws on data from the most recent housing needs surveys/assessments to provide a broad overview of the character of households with some sort of specific need and the spatial variation of such households.

Limiting long-term illness – Census data

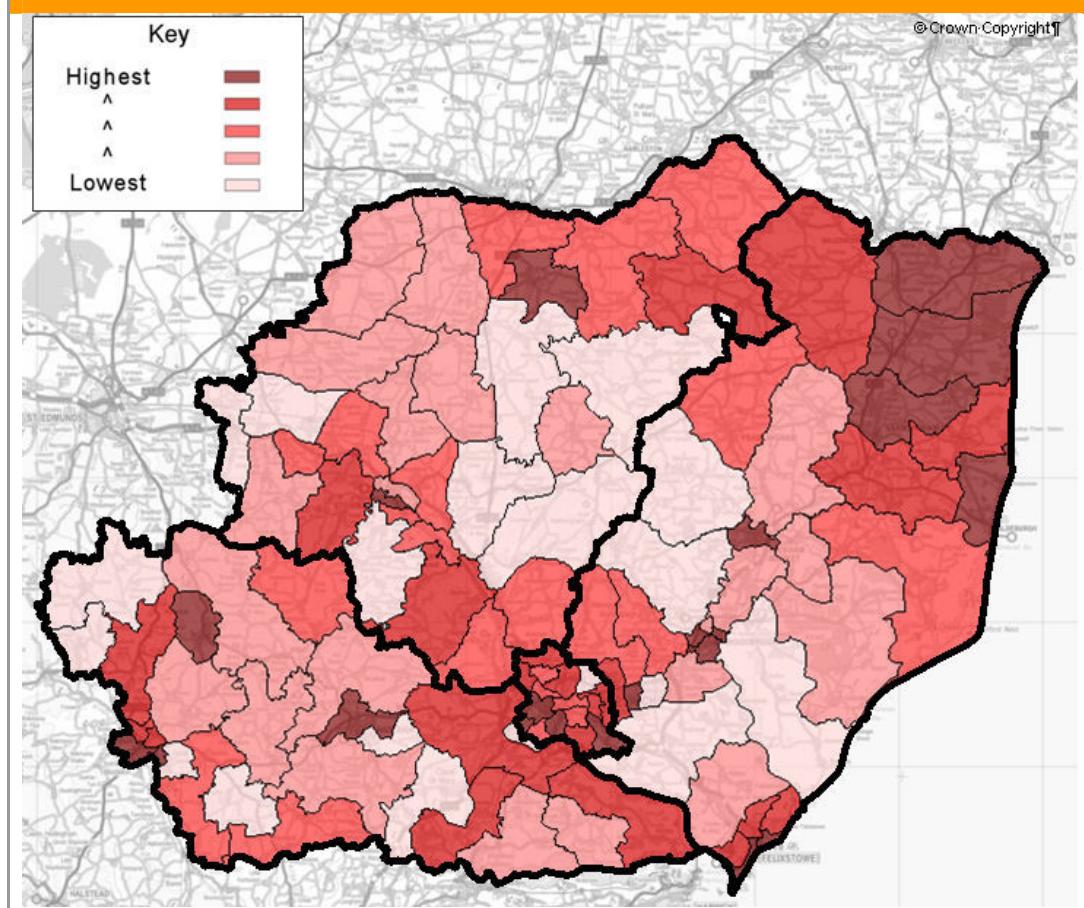
- 10.20 The table below shows the proportion of people with a LLTI and the proportion of households where at least one person has a LLTI. The data suggests that across the HMA around 25.8% of households contain someone with a LLTI. This figure is lower than the average for the East and the average across England. The figures for LLTI across the population show a similar trend.

Table 10.5 Households and people with limiting long-term illness (LLTI) (2001)

Area	Households containing someone with LLTI		Population with LLTI	
	Number	%	Number	%
England	7,374,974	34.1	9,484,856	16.5
Eastern England	686,737	30.8	873,168	16.2
Study area	53,178	31.2	67,776	16.8
Ipswich	16,502	33.1	21,067	18.3
Babergh	10,543	30.2	13,422	15.4
Mid Suffolk	10,567	29.9	13,469	16.1
Suffolk Coastal	15,566	31.8	19,818	16.9

Source: Office for National Statistics 2007 (from 2001 Census data)

10.21 When looking at the spatial distribution of the population with limiting long-term illness, we can see that there is no strong geographical pattern.

Figure 10.6 Spatial distribution of population with LLTI in the HMA

Source: Office for National Statistics 2007 (from 2001 Census data)

Characteristics of population with LLTI

10.22 Before continuing the analysis it should be noted that the figures are for population and not households and so will to a certain extent be influenced by different household sizes. The split between different groups (e.g. tenure or car ownership/use) will therefore not match the figures for households (from the 2001 Census) provided at several points in this report.

10.23 The first of the tables below looks at the tenure profile of the population with a LLTI compared with that with no LLTI. The data shows that the population with a LLTI are particularly likely to live in social rented accommodation, in particular council accommodation. In total, 14.1% of the population with a LLTI live in social rented accommodation compared with 7.7% of people without a LLTI.

Table 10.6 Tenure of population with LLTI in the HMA

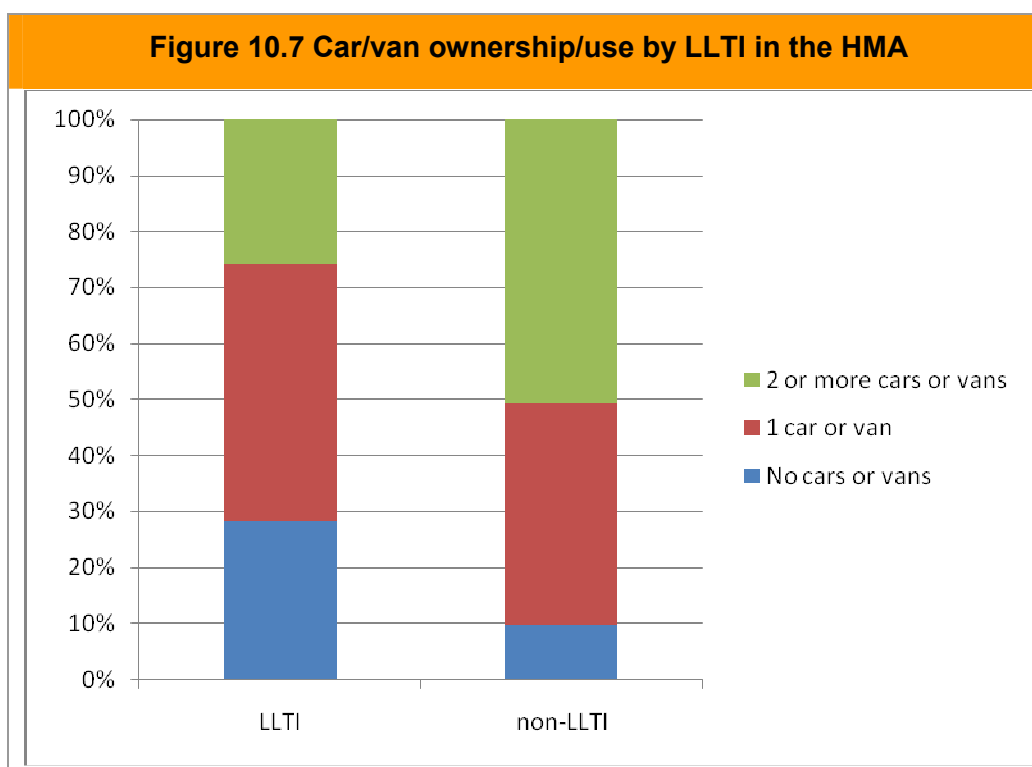
Tenure group	With LLTI	No LLTI	Total population	% with LLTI
Owned	42,744	254,773	297,517	14.4%
Rented from council	9,378	25,489	34,867	26.9%
Other social rented	5,473	15,750	21,223	25.8%
Private rented or living rent free	6,531	35,975	42,506	15.4%
All People	64,126	331,987	396,113	16.2%

Source: Office for National Statistics 2007 (from 2001 Census data)

10.24 Further data from the Census suggests that people with a LLTI are very slightly less likely to live in accommodation which is overcrowded, 4.2% of people with a LLTI have an occupancy rating of -1. We have also used Census data to look at access to accommodation. The Census data suggests that across the HMA people with a LLTI are more likely than the rest of the population to live in accommodation which does not have access at ground floor level.

10.25 Overall, 6.3% of people with a LLTI live in accommodation which is not accessed from ground floor level, this compares with 4.0% of the population without a LLTI; this result is likely to be related to the findings for tenure with the social rented sector having a greater proportion of purpose-built flats.

10.26 Finally, we have used Census data to look at car ownership. The Census suggests that people with a LLTI are far less likely to have access to a car or van than other households. The data is shown in the figure below.

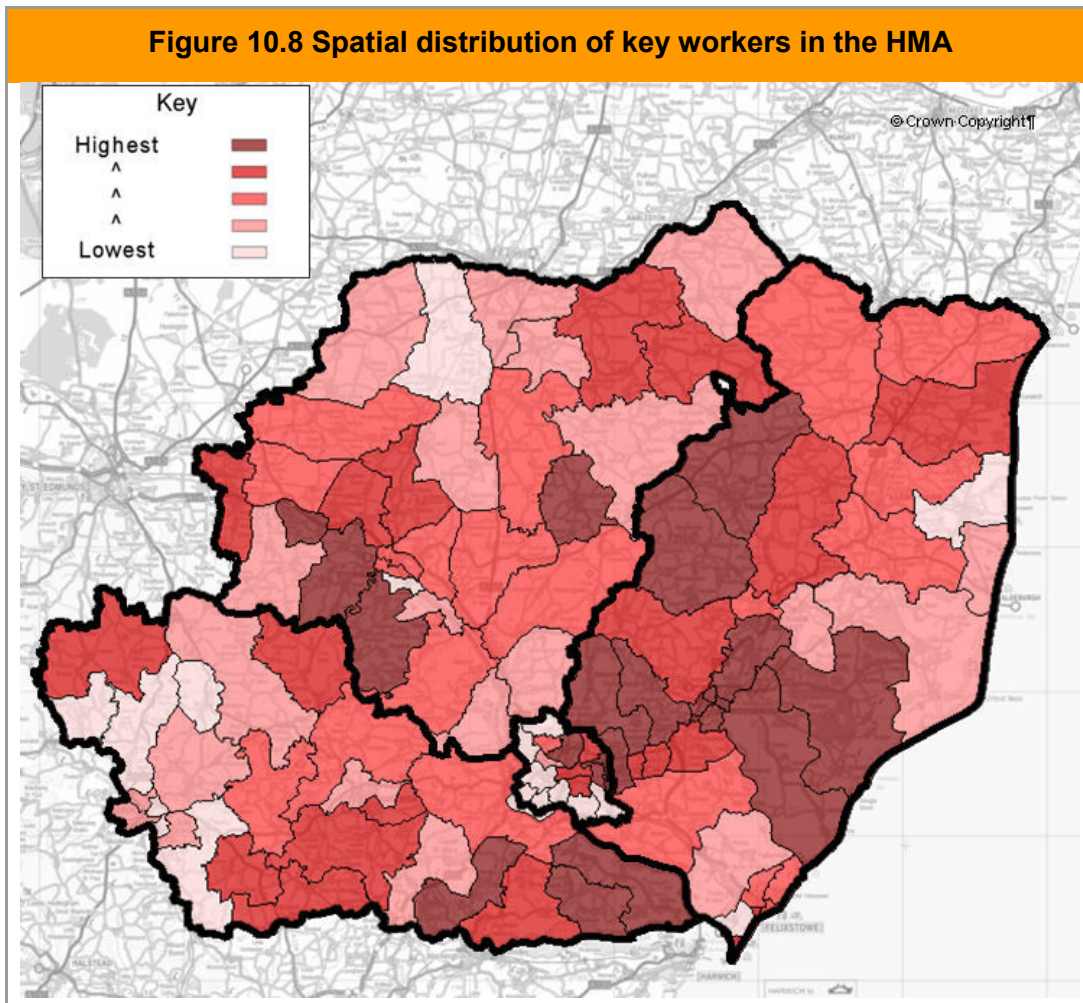


Source: Office for National Statistics 2007 (from 2001 Census data)

Key worker households

10.27 The CLG Guidance to Strategic Housing Market Assessments identifies an analysis of key worker households as potentially an important area of study. Unfortunately there is no recognised source of data about key workers against which we can draw information for the purposes of this study. However, it is generally agreed that key worker households are typically those working in the public sector and the Census does provide some information about the population whose employment falls into the category of 'Public administration, education & health'.

10.28 Census data suggests that across the study area, around 21.7% of people who are working are employed in public administration, education or health. This proportion is slightly below the equivalent figure for the East of England and England as a whole. Within the study area the proportion of people employed in administration, education or health varies from 20.7% in Babergh to 22.9% in Suffolk Coastal. The map below shows how this proportion varies by ward across the study area, with concentrations of wards with high proportions of key workers to the south east.



Source: Office for National Statistics 2007 (from 2001 Census data)

Character of key workers

10.29 The Census provides some additional data about the group of people working in public administration, education and health and the table below presents data about the ages of such people and the social group in which their employment falls.

10.30 The first table below shows that 'key workers' are typically younger than other people in employment. Overall it is estimated that 27.6% of key workers are aged under 30 compared with 22.3% of non-key worker employees. Conversely, the proportion of key workers aged 60 and over is lower than the equivalent proportion of non-key workers.

Table 10.7 Age of 'key workers' in the HMA

Age group	Key worker	Non-key worker	All working people
Under 30	11,337	33,036	44,373
30 to 39	10,702	35,242	45,944
40-49	9,260	36,604	45,864
50 to 59	8,169	32,631	40,800
60 and over	1,540	10,819	12,359
TOTAL	41,008	148,332	189,340
Under 30	27.6%	22.3%	23.4%
30 to 39	26.1%	23.8%	24.3%
40-49	22.6%	24.7%	24.2%
50 to 59	19.9%	22.0%	21.5%
60 and over	3.8%	7.3%	6.5%
TOTAL	100.0%	100.0%	100.0%

Source: Office for National Statistics 2007 (from 2001 Census data)

10.31 The table below shows that key workers generally travel slightly longer distances to work than other workers. 61.0% of key workers travel less than 5km to work compared with 55.5% of other workers.

Table 10.8 Distance travelled to work by 'key worker' (workplace population)

Distance travelled to work	Key-worker		Non-key worker		All people	
Works mainly at or from home	10,705	28.0%	31,120	21.8%	41,825	23.1%
Less than 2km	7,158	18.7%	28,142	19.8%	35,300	19.5%
2km to less than 5km	5,477	14.3%	19,799	13.9%	25,276	14.0%
5km to less than 10km	6,305	16.5%	20,849	14.6%	27,154	15.0%
10km to less than 20km	2,478	6.5%	7,770	5.5%	10,248	5.7%
20km to less than 30km	1,031	2.7%	3,213	2.3%	4,244	2.3%
30km to less than 40km	602	1.6%	2,348	1.6%	2,950	1.6%
40km to less than 60km	678	1.8%	3,589	2.5%	4,267	2.4%
60 km and over	3,856	10.1%	25,650	18.0%	29,506	16.3%
Total	38,290	100.0%	142,480	100.0%	180,770	100.0%

Source: NOMIS from 2001 Census

10.32 The table below shows the social group in which the key worker's employment falls. The data suggests that key workers are more likely to be within social groups 1 to 3 than other working people. In total over half (50.5%) of key worker employment is within groups 1 to 3 compared with only 48.0% of other working people. Conversely, an estimated 8.6% of key worker employment falls into groups 8 & 9 for whom pay levels are likely to be lower. It is these households in the lower social grades who may have particular difficulty in accessing market housing. However, it should be noted that the proportion of non-key worker households in the lowest social group is significantly higher than for key workers (26.9% in social groups 8 & 9).

Table 10.9 Social group of 'key workers' in the HMA			
Social group	Key worker	Non-key worker	All working people
1 to 3	19,348	46,343	65,691
4 & 5	6,401	40,917	47,318
6 & 7	9,236	16,900	26,136
8 & 9	3,303	38,331	41,634
TOTAL	38,288	142,491	180,779
1 to 3	50.5%	32.5%	36.3%
4 & 5	16.7%	28.7%	26.2%
6 & 7	24.1%	11.9%	14.5%
8 & 9	8.6%	26.9%	23.0%
TOTAL	100.0%	100.0%	100.0%

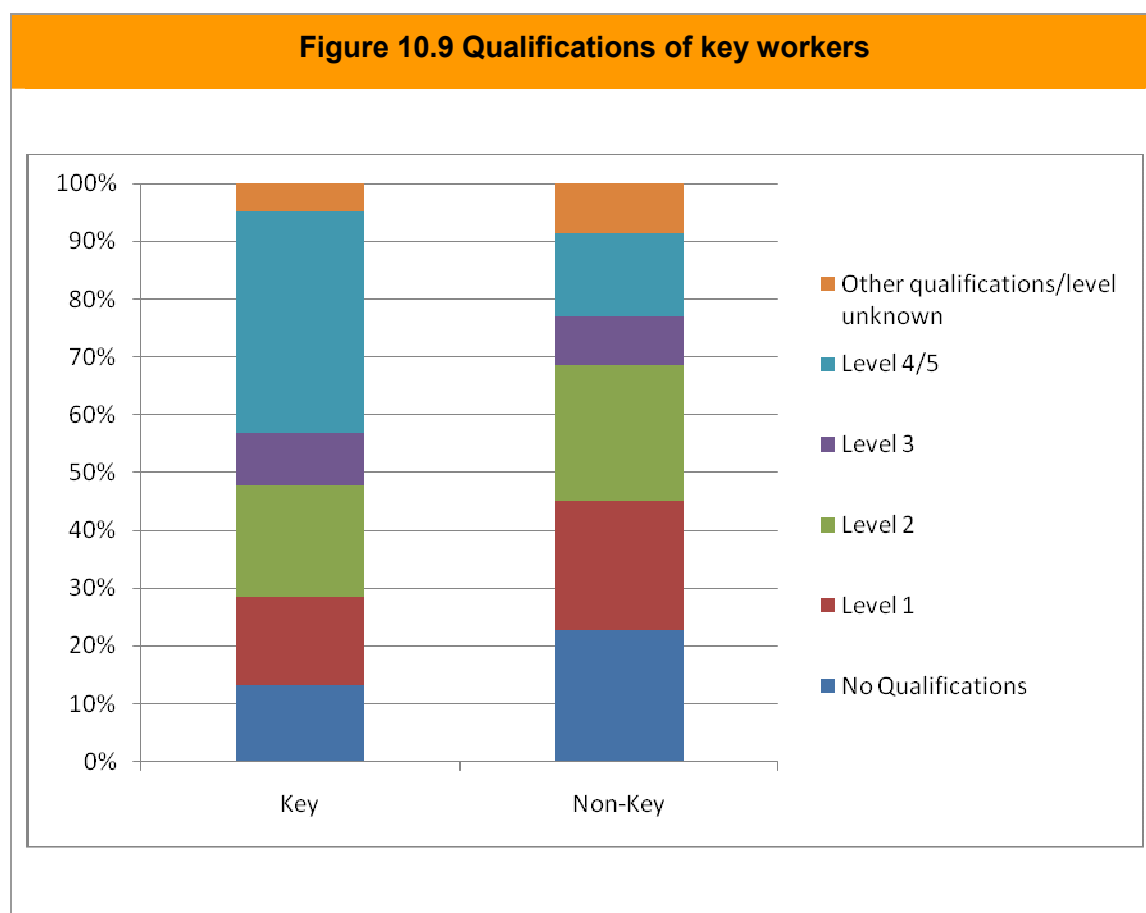
Source: Office for National Statistics 2007 (from 2001 Census data)

Key

- 1. Higher managerial and professional occupations; 2. Lower managerial and professional occupations;
- 3. Intermediate occupations.
- 4. Small employers and own account workers; 5. Lower supervisory and technical occupations
- 6. Semi-routine occupations; 7. Routine occupations
- 8. Never worked and long-term unemployed; 9. Uncategorised

10.33 Importantly, it was agreed by members of the Steering Group that in relative terms, the housing needs of key workers was not a significant issue within the study area. This point was reiterated by stakeholders. However, it is possible that elemental and skilled trades sectors (as discussed in Chapter 2) who currently reside outside the study area but commute into it in may actually reflect a more localised key worker need.

10.34 The figure below shows the level of qualification of key workers (workplace population) in the HMA. It is clear that key workers are generally significantly better qualified than non-key workers.



Source: Office for National Statistics 2007 (from 2001 Census data)

Ipswich Housing Needs Survey 2005

- 10.35 As a more recent source (compared with 2001 Census data), it may be useful to summarise the findings of the 2005 Housing Needs Survey section on key workers undertaken by Fordham Research on behalf of Ipswich Borough Council.
- 10.36 The survey concluded that key worker households are more likely to have moved in the last two years than non-key workers and are more likely to have moved from elsewhere in the Borough. Also, key worker households were slightly more likely to move within the next two years and were more likely to want to move from the Borough.
- 10.37 The survey confirmed that key worker households have slightly higher incomes than non-key worker households (in employment). It found that the majority (90.0%) of key worker households could afford market housing in the Borough. However, of those who could not afford to buy in the Borough, intermediate housing options were only affordable for 64.7% of households. Looking only at those key worker households who need or are likely to move in the next two years we find a worse affordability situation and a higher proportion unable to afford intermediate housing.

10.38 In terms of the need for affordable housing the study suggests that around 11.7% of the net affordable housing requirement comes from key worker households. Finally, the report found that key worker households show significant differences in housing circumstances and need compared to non-key worker households. In general, key worker households had higher incomes, better affordability and seemed more mobile than non-key worker households. They were likely to require smaller homes and were less likely to contain children.

Babergh Housing Needs Survey 2008

10.39 According to the survey, around 1,515 implied households (4.1% of all households living in the District) gave details of their work in the public sector, with 43.7% (663 implied) indicating they work as school / FE / college teachers, 35.1% (532 implied) work as nurses and other NHS staff, 13.3% (201 implied) work as Police officers and 7.9% (120 implied) work as social workers. There was no data for prison service staff or junior and retained fire fighters.

10.40 The survey estimates between 4.8% and 30.7% of key workers would be unable to afford market housing:

- 14.3% of Nurses and other NHS Clinical staff;
- 4.8% of Teachers;
- 30.7% of Social Workers.

10.41 The survey questioned households who had already decided to leave the District. It found that of the 133 implied key worker households who had decided to leave the District, 61.8% are leaving due to education reasons. A further 38.2% are leaving due to employment / access to work, 11.6% due to being unable to buy and 11.6% are leaving due to lack of affordable rented housing. 3.6% are leaving due to the quality of the neighbourhood.

10.42 The survey also asked households who were due to move within the District questions about tenure type and size required (although there was no data on fire service staff). All of the police staff responding (35 implied) expressed a preference for private rented accommodation, all of the nurses and NHS staff key workers (12 implied) expressed a preference for owner occupation and all of the social workers (10 implied) expressed a preference for HA shared ownership.

- 10.43 All police staff (35 implied) and all nurses and other NHS staff (12 implied), require detached housing. All teachers stated that they require bungalow accommodation (22 implied) and all social workers indicated that they required terraced accommodation (10 implied).
- 10.44 Concerning the number of bedrooms required by key workers moving within the District, all nurses and NHS staff (12 implied), all police staff (35 implied) and all social workers (10 implied) indicated that they require 3-bed accommodation. All teaching staff responding (22 implied) indicated a need for 4-bed accommodation.
- 10.45 Finally, the survey suggests that a small number of concealed households are also key worker households. The largest number or 42 implied concealed key workers are teachers in school, FE and sixth form colleges, 26 are nurses and other NHS staff and 11 are employed by the prison service. The data revealed that 30 implied concealed key worker households intended to move within the District within the next three years. However no further data was obtained regarding the moving intentions of these households.

Suffolk Coastal Housing Strategy Statement 2004/05

- 10.46 According to Suffolk Coastal's Housing Strategy Statement, there is no specific information currently available about key workers and whether they are experiencing specific difficulties in accessing housing in the District. The Suffolk Housing Officers Group is seeking information on this matter at a County level from other agencies such as the County Council (social workers, teachers and occupational therapists), Suffolk Police (police officers and civilian staff) and the five Primary Care Trusts (nurses and health workers). In the meantime, the Housing Corporation's Guide to the Allocation Process identifies the District as being within one of the zones identified for key worker housing. (Please note that the Housing Strategy Statement was used rather than the 2007 Housing Needs Survey as the latter does not contain any reference to key workers).

Older person households

- 10.47 Guidance recognises the need to provide housing for older people as part of achieving a good mix of housing. Indeed, as population projections have shown earlier in this document, the number of older people in the population is expected to increase significantly over the next few years. This chapter of the report therefore looks at the characteristics of the older person population. Data is drawn from the 2001 Census.

Number and distribution of older persons

10.48 The tables below show the number and proportion of older person households in the HMA at the time of the 2001 Census (older person is defined as people of pensionable age, 60 for women and 65 for men). The data suggests that there is a slightly smaller proportion of pensioner only households in the study area than regional and national averages. At the time of the Census it was estimated that just over a fifth (26.7%) of households in the HMA were pensioner only. This figure is made up of 15.2% single pensioners and 11.5% of households with two or more pensioners.

Table 10.10 Pensioner households in the HMA (Census 2001)			
Pensioner households	Study area	Eastern	England
Single pensioner	25,795	315,565	3,280,825
2 or more pensioners	19,446	227,066	2,072,965
All households	169,161	2,231,974	22,852,562
Single pensioner	15.2%	14.1%	14.4%
2 or more pensioners	11.5%	10.2%	9.1%
All households	100.0%	100.0%	100.0%
Total % pensioner only	26.7%	24.3%	23.4%

Source: Office for National Statistics 2007 (from 2001 Census data)

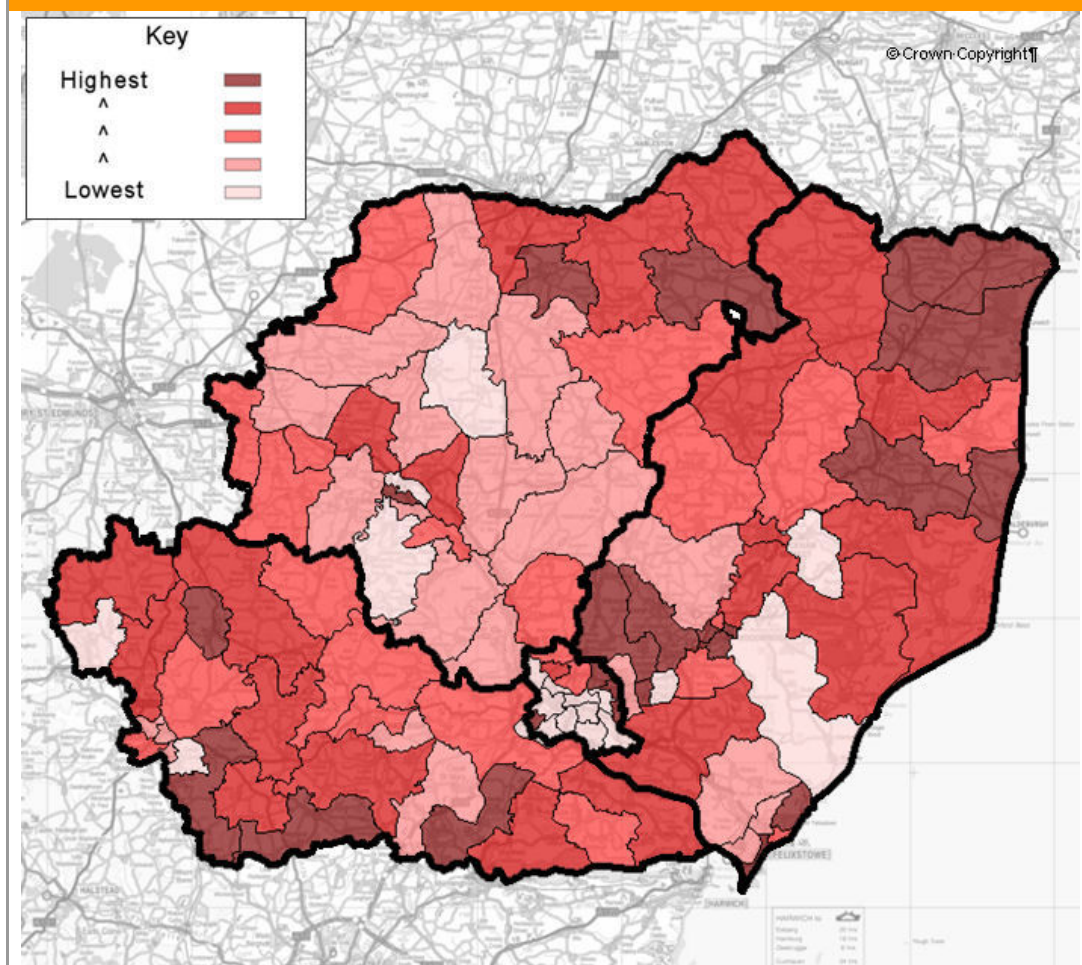
10.49 Within the HMA we do see some differences between different sub-areas. The lowest proportion of pensioner-only households is found in Ipswich (24.8%), this compares with 29.9% in Suffolk Coastal.

Table 10.11 Pensioner households in the HMA (Census 2001)					
Pensioner households	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal	Study area
Single pensioner	7,615	5,212	4,822	8,146	25,795
2 or more pensioners	4,757	4,035	4,142	6,512	19,446
All households	49,873	34,863	35,408	49,017	169,161
Single pensioner	15.3%	14.9%	13.6%	16.6%	15.2%
2 or more pensioners	9.5%	11.6%	11.7%	13.3%	11.5%
All households	100.0%	100.0%	100.0%	100.0%	100.0%
Total % pensioner only	24.8%	26.5%	25.3%	29.9%	26.7%

Source: Office for National Statistics 2007 (from 2001 Census data)

10.50 The map below shows how the proportion of pensioner-only households varies by wards. The map shows that pensioner only households are spread fairly evenly across the study area with the exception of Ipswich which contains few pensioner only households.

Figure 10.10 Spatial distribution of pensioner-only households in the study area

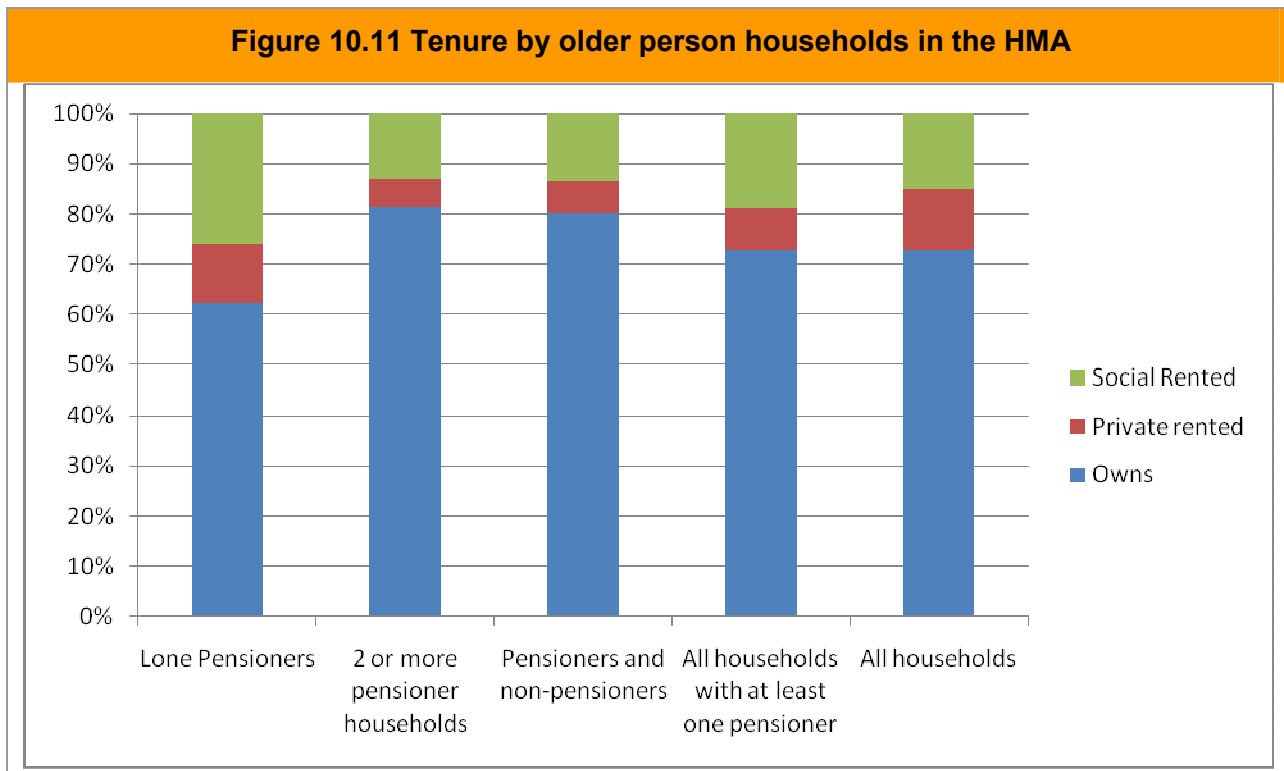


Source: Office for National Statistics 2007 (from 2001 Census data)

Character of older person households

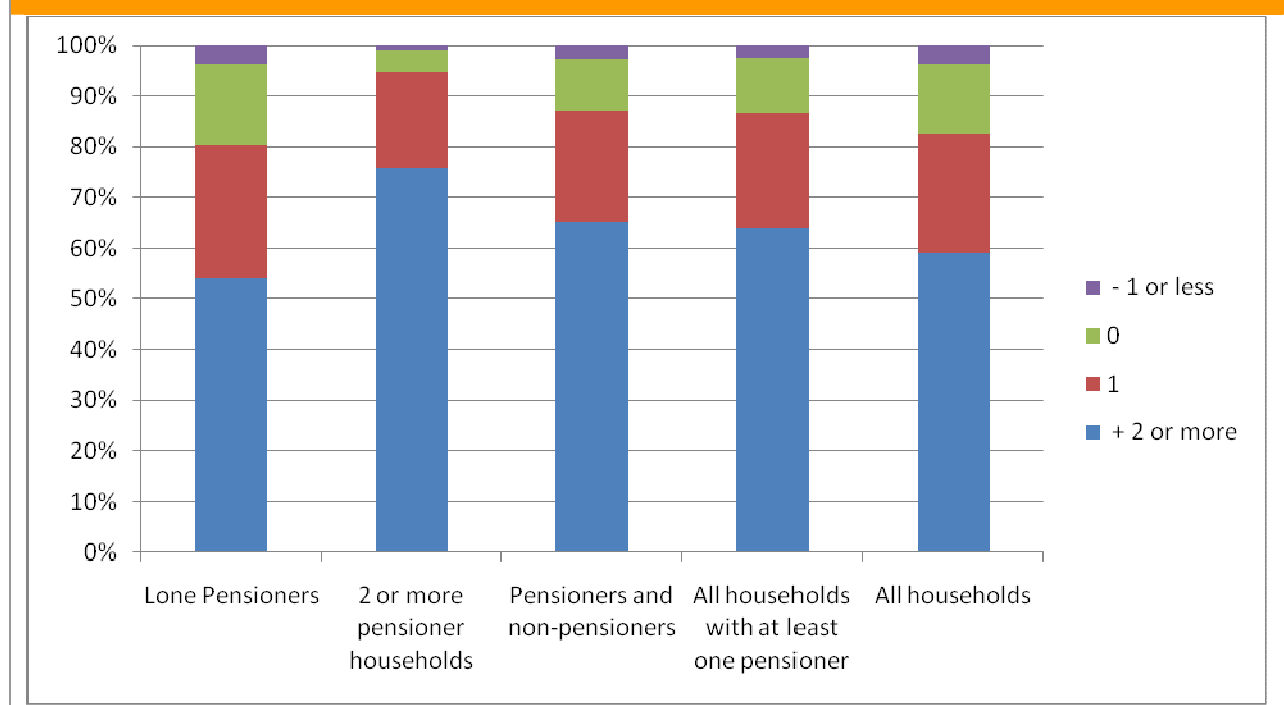
- 10.51 Census data has been used to explore in more detail some characteristics of older person households. Where possible data has been split between single pensioner households, households with two or more pensioners and households with both pensioners and non-pensioners (and no other people).
- 10.52 The figure below shows the broad tenure split of older person households in the HMA. The data shows that single pensioner households are particularly likely to live in social rented accommodation. In total it is estimated that more than a quarter (26.1%) of single pensioner households live in the social rented sector, this compares with only 13.0% of households with two or more pensioners and 15.1% of all households in the HMA.

10.53 Households with two or more pensioners are particularly likely to be owner-occupiers – 81.4% of this group own their own home, this figure is significantly higher than the equivalent figure for single pensioners (62.2%) and also higher than the figure for all households in the HMA (72.7%).



Source: Office for National Statistics 2007 (from 2001 Census data)

10.54 A key theme that is often brought out in SHMA work is the large proportion of older person households who under-occupy their dwellings. Data from the Census allows us to investigate this using the occupancy rating. The data is shown in the figure below. The data shows that pensioner households (particularly those with two or more pensioners) are particularly likely to be under-occupying their dwelling. In total it is estimated that more than three-quarters (75.8%) of two or more pensioner households have an occupancy rating of +2 or more.

Figure 10.12 Occupancy rating by older person households in the HMA

Source: Office for National Statistics 2007 (from 2001 Census data)

10.55 It is of interest to study the above information by tenure. The table below shows the number of pensioner households who have an occupancy rating of +2 or more in each of the three broad tenure groups. The table indicates that whilst the majority of older person households with an occupancy rating of +2 or more are in the owner-occupied sector, there are 24,298 properties in the social rented sector occupied by pensioner only households with an occupancy rating of +2 or more. As such, these households may present some opportunity to reduce under-occupation.

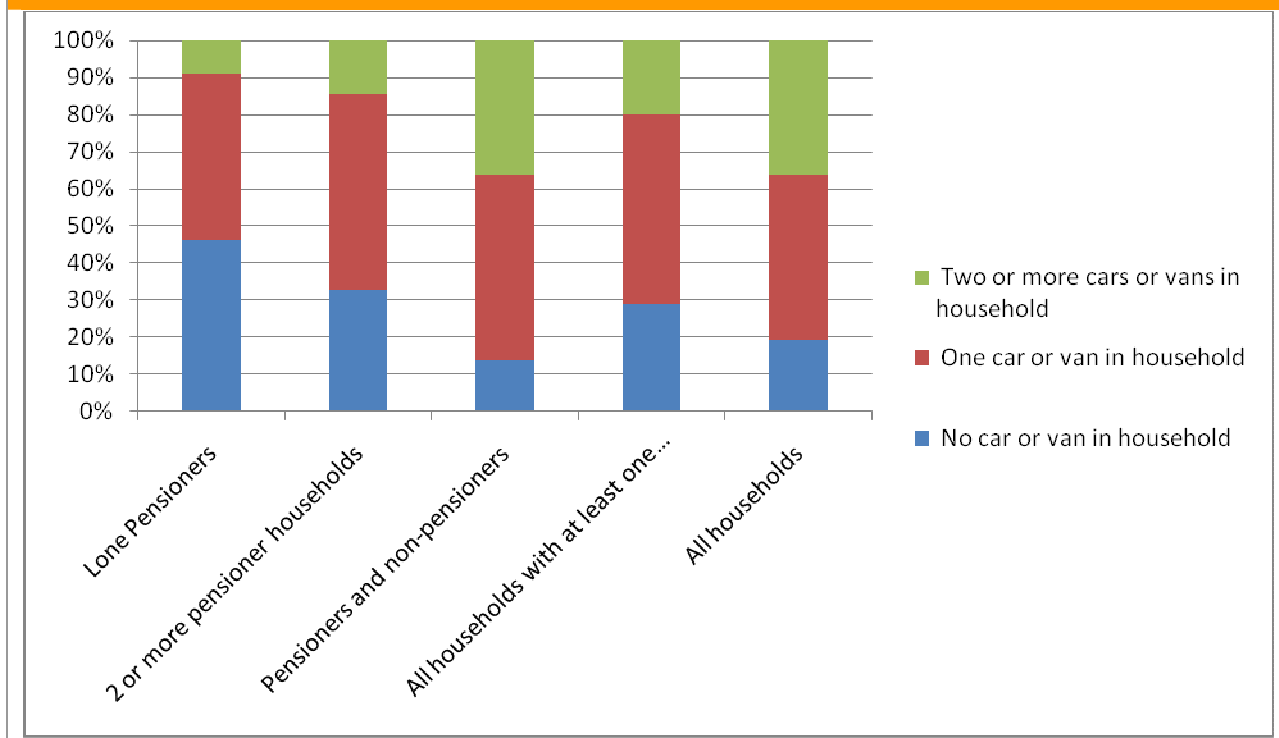
Table 10.12 Pensioner households with occupancy rating of +2 or more by tenure in the HMA (Census 2001)

Pensioner households	Single pensioner	2 or more pensioners	All pensioner only households
Owner-occupied	11,141	13,157	24,298
Social rented	1,429	1,063	2,492
Private rented	1,387	745	2,132
All tenures	13,957	14,965	28,922

Source: Office for National Statistics 2007 (from 2001 Census data) (from 2001 Census)

10.56 The pensioner data from the Census investigated that of car and van ownership or use. The figure below clearly shows that single pensioner households are far less likely than other households to have access to a car or van.

Figure 10.13 Car/van ownership/use by pensioner households in the HMA



Source: Office for National Statistics 2007 (from 2001 Census data)

Older people and housing needs surveys

10.57 It might be useful to summarise the findings of the councils' Housing Needs Survey sections on older people.

Ipswich Housing Needs Survey (2005)

10.58 The survey found that just over a quarter of all households in Ipswich contained only older people (25.1%) and a further 5.9% contained both older and non-older people. More than three-fifths (62.2%) of older person only households were owner-occupiers with the overwhelming majority not having a mortgage. This finding suggested that the potential for equity release schemes in Ipswich was quite high.

10.59 However, the survey found that a high proportion of social rented accommodation contained older people only (37.0% of Council tenants are older person households) suggesting that there may be implications for future supply of specialised social rented accommodation.

- 10.60 Similarly, the Housing Needs Survey confirmed that over half of all older person households are in three or four bedroom dwellings, suggesting that there could be potential scope to free up larger units for younger families if the older households choose to move into suitable smaller units.
- 10.61 Finally, the survey found that some 3.7% of all older person only households (481 households) in Ipswich live in unsuitable housing, as defined by the Housing Needs Survey. This figure was noticeably below the figure of 6.4% for all households.

Babergh Housing Needs Survey, 2008

- 10.62 According to the 2008 Housing Needs Survey, 34.3% of heads of households are currently retired, and population projections show this figure will increase further up to 2026. The data suggests a need for a strategic approach to the accommodation needs of older people in the District.
- 10.63 Based on a 93.9% response, 5.6% of existing households (1,962 implied) indicated that they had older relatives (over 60) who may need to move to Babergh in the next three years. 1,973 implied households responded to a further multiple-choice question on the type of accommodation required, each respondent making 1.6 choices on average.
- 10.64 The HNS states that demand for supported accommodation from in-migrant households by location was similar to that for existing households with demand being significantly high in Babergh East, consisting of 49.2% of supported accommodation demand.
- 10.65 Demand for this group was predicted by the children of older people and, as would be expected, it shows a different pattern to that normally seen among older respondents in DCA surveys.
- 10.66 The high level of accommodation for older people moving into Babergh is common to other housing needs surveys, in many cases a higher level of in-migrant need was found than that arising from existing households. DCA experience shows that older people seek to remain in their own homes and prefer to receive support at home. In contrast, the children of older parents tend to predict the need for supported housing.
- 10.67 According to the survey, demand was fairly well spread across the options offered with 29.2% for private sector general market housing, 25.8% for private sheltered housing and 24.2% of demand for extra care housing.
- 10.68 Nearly one third or 31.0% (612 households implied) indicated that their relative could live with them in the family home but in 25.3% of those cases (500 implied) adaptation or an extension would be needed to accommodate an older relative.

- 10.69 Finally, the HNS suggests that there is a combined requirement for sheltered accommodation from older people currently living in Babergh (247 households) and those who may in-migrate to be beside their family (934 households) of 1,181 units, 507 in the affordable sector and 674 in the private sector.
- 10.70 Some of this requirement will be addressed by flow of the existing sheltered stock, but acceptability of existing stock to meet today's standards will need to be assessed in calculating the scale of new delivery.

Mid Suffolk Housing Needs Survey, 2008

- 10.71 At the time of writing (October 2008) Mid Suffolk's Housing Needs Survey was still being undertaken. However, preliminary results suggest that more than a quarter of households in Mid Suffolk contain only older people (29.0%) and a further 9.5% contain both older and non-older people.
- 10.72 Almost three quarters of older person only households are owner-occupiers. The overwhelming majority of these do not have a mortgage. This finding suggests that the potential for equity release schemes in Mid Suffolk is quite high.
- 10.73 Another significant finding was the relatively high proportion of social rented accommodation containing older people only. Around half of social rented dwellings contain only older people, which may have implications for future supply of specialised social rented accommodation. Further, the survey found that almost all households containing older persons only are comprised of one or two persons only. More than half (58.4%) of all single person households are older person households. Older person only households are more likely than others in the Mid Suffolk area to be living in one and two bedroom properties. However, the survey states that given the discrepancy in household size between older person households and others, there are still many older person households containing one or two people living in three or four bedroom properties.
- 10.74 Similar to findings above, the survey suggests that 51.9% of older person households are under-occupied, making up 32.9% of all under-occupied dwellings in Mid Suffolk. Whilst the majority of under-occupied dwellings are in owner-occupation (89.3%), there are still 372 social rented dwellings which might offer potential to reduce under-occupation in the District.
- 10.75 In terms of repairs and maintenance, the survey found that older person households are more likely than other households in the housing market area to have problems with maintaining their homes. Of all households with a problem or serious problem, a total of 38.2% contain only older people. The majority of these (78.9%) are owners.
- 10.76 Finally, the survey suggests that there is certainly scope for maintaining the home improvement agency services currently operating in the District. A total of 4,006 households

state a problem with maintaining their homes – of these 1,530 are households containing only older people with an estimated 1,207 living in the owner-occupied sector.

Suffolk Coastal Housing Strategy Statement 2004/2005

10.77 According to the Housing Strategy Statement, there are patterns of inward migration, particularly by older people who move to the District on retirement, which is reflected in the make-up of the total population and the higher than average population of pensionable age. Nearly a quarter (23.6%) of the District's population is of pensionable age, some 3.5% above the national figure and 1.9% above the County level.

10.78 The Strategy states that a range of housing and care options are appropriate to meet the needs of elderly people in the District. As such, there will need to be close working between housing, social care and health agencies to ensure the growing needs of elderly people in the District are met and appropriate inter-agency responses initiated:

- (a) the presentation of the three-year rolling programme of new developments
- (b) the promotion of good practice in the provision, design and management of housing schemes
- (c) the monitoring of overall development progress and identifying associated training needs.

10.79 Finally, the strategy states that the promotion of small schemes in existing residential neighbourhoods may be appropriate, to enable older people to move out of their family home into more suitable accommodation within the same neighbourhood. Elderly people have expressed particular interest in sheltered housing and bungalows. Small scale, often low cost aids and adaptations, could have a significant impact on the ability of elderly people to manage at home. Another option is the the promotion of money advice services to the elderly to help them maximise their income and mobilise their investments to help them purchase care, support and improved housing conditions. Finally, the promotion of information and advice about the range of housing options available to elderly people should be considered.

Older person households: policy issues

10.80 The above suggests that all study area Councils, especially Suffolk Coastal where the proportion of older person households is highest, need to consider policy responses to a growing elderly population. National policy encourages independent living, which is good in principle, but transfers the cost of ageing to the individual (many older person households are single person ones). The best public policy stance is to provide good advice and support for this national policy, which cannot really be altered at regional or sub-regional level.

- 10.81 This means that facilitation of equity release should be widely available and also well co-ordinated support services. Under-occupation is common resultant costs of maintenance being high for the size of the remaining (often one-person) households, many of whom will not want to move.
- 10.82 Newbuild solutions are liable to be expensive, but the possibility of retirement villages that are not necessarily as bespoke or as limited in space as typical retirement complexes would be worth considering. If any public sector land remains in suitable (e.g. town centre) locations, it might be worth considering competitions for the best design, as at present there is a considerable gap between public sector sheltered housing and the exclusive end of the private sector market.
- 10.83 Extra care housing has emerged as a new and popular model for housing for older people that meets their housing needs, provides support and care and is at its best when it is outward facing and links into the community. The Housing Corporation does not see extra care as a single model of housing and should be seen and planned for in the context of a spectrum of housing provision, which includes general needs housing, care homes and a range of tenure including home ownership.
- 10.84 One possible policy solution is the provision of extra-care housing. The Housing Corporation's National Affordable Housing Prospectus 2008-11 invites bids for new specialist housing schemes for older people, including extra care housing. They require:
- homes for older people to have at least three habitable rooms (except in exceptional circumstances where local need justifies smaller homes);
 - bids for grant to provide evidence of housing need that supports the scheme to be developed (e.g. extra care bids that fit with regional and local strategies and have the support of a range of partners including social services and health); and
 - links to local and regional housing strategies.
- 10.85 Whilst the benefits of extra housing are evident (helping older people to live independently in suitable accommodation) competition for limited funding may mean that this type of policy response is not always possible.

Stakeholder consultation

- 10.86 As discussed in Appendix 2 below, the stakeholder process elicited extensive verbal and written comments on the housing needs of older people. One of the main points was that older people are only likely to 'downsize' (i.e. move to a smaller property that is more suitable for their needs) if suitable properties are available in local areas. However, it was also noted that the next generation of retired people may not have enough money for retirement and may have to downsize to liberate capital. There was agreement between stakeholders that it is less likely in the future that older people will be eligible for final salary pensions or early retirement and that people will be retiring much later. One person recommended looking at how RSLs can help older people to downsize in order to release larger social housing properties.
- 10.87 Further, although it was noted that sheltered housing schemes are in demand, they may have to adapt to meet the needs of future generations of older people, including changes to the way support is delivered to people who live in sheltered housing. Schemes with long term voids may have to consider taking other client groups (such as those with learning disabilities). Also, whilst there is a need for accommodation for older people, this needs to be developed in areas where they will be close to shops and other amenities and services. It was also argued that there is a need for a combination of small bungalows for older owner-occupiers and improved choice of accommodation for older social housing tenants.

Population projections

- 10.88 Population projections are considered above. A graph depicting this is also included in the section focussing on households with dependent children below. The key finding is that like many other parts of the country a shift in the profile of the population is forecast. There are many implications to consider.

Families

- 10.89 Guidance recognises the importance of providing housing for families to help create mixed communities. In this section of the report we have looked at Census data about the situation of households that contain children. We also consider population projections. For the purposes of analysis of Census data we have concentrated on households containing dependent children and have broadly split information into four groups:

- Married couples with dependent children
- Cohabiting couples with dependent children
- Lone parents with dependent children
- Other households with dependent children

Number of families

10.90 The tables below show the number of households with dependent children in the HMA and other associated areas. It should be noted that the data available for this analysis does not distinguish between married and cohabiting couples. The data shows that across the study area over a quarter of households (28.3%) contained dependent children. This figure is slightly lower than both the regional and national averages. There are generally higher proportions of couples with dependent children and lower proportions of lone parents.

Table 10.13 Households with dependent children in the HMA (Census 2001)			
Household type	Study Area	East	England
Couples with dependent children	37,359	497,166	4,252,408
Lone parents with dependent children	8,232	118,081	1,311,974
Other households with dependent children	2,298	38,754	458,369
All households	47,889	654,001	6,022,751
Couples with dependent children	78.01%	76.02%	70.61%
Lone parents with dependent children	17.19%	18.06%	21.78%
Other households with dependent children	4.80%	5.93%	7.61%
All households	100.00%	100.00%	100.00%
Total % with dependent children	28.3%	29.3%	29.4%

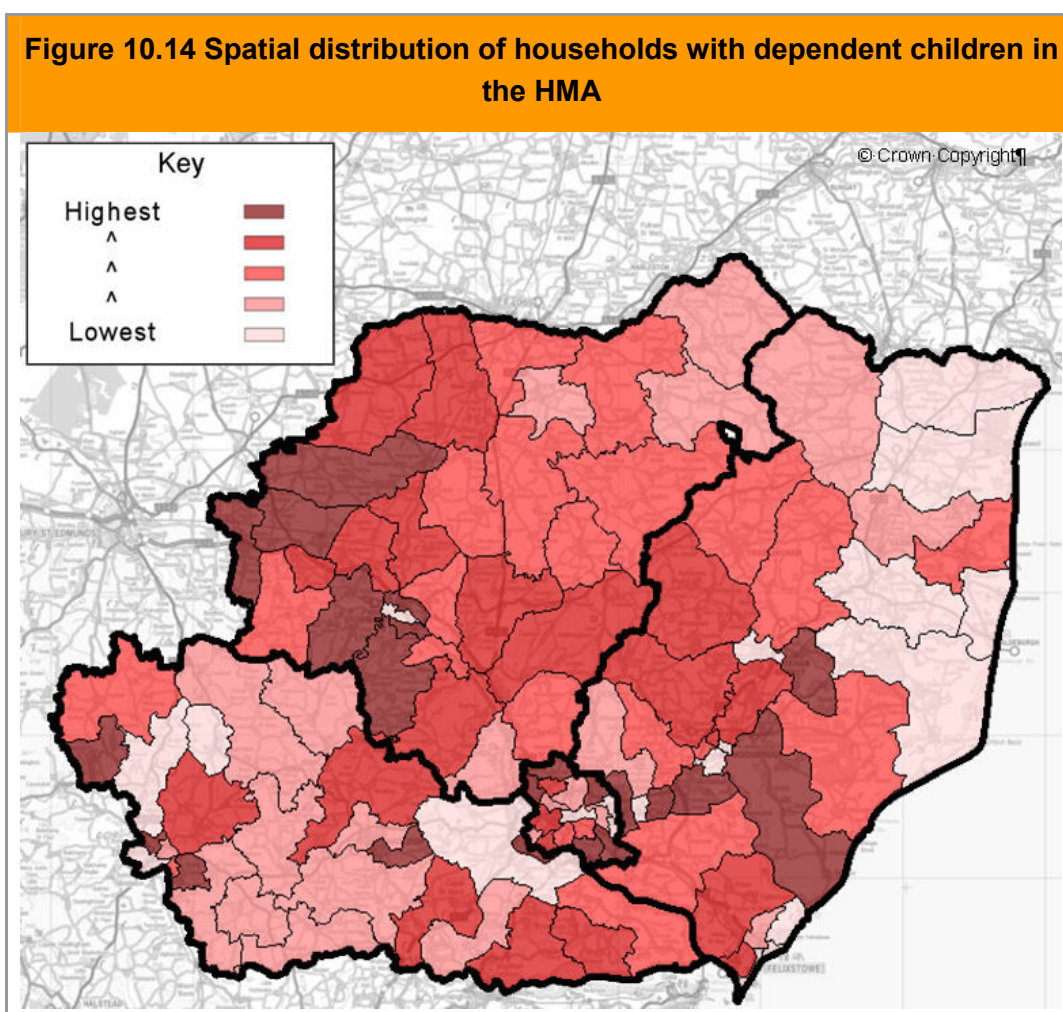
Source: Office for National Statistics 2007 (from 2001 Census data)

10.91 Within the HMA we see some small differences between different sub-areas. The lowest proportion of households with dependent children is found in Suffolk Coastal (27.0% of households contain dependent children). The figure is highest in Mid Suffolk (29.5%). Ipswich has the highest proportions of lone parents.

Table 10.14 Households with dependent children in the HMA (Census 2001)				
Household type	Ipswich	Babergh	Mid Suffolk	Suffolk Coastal
Couples with dependent children	10,294	7,803	8,637	10,625
Lone parents with dependent children	3,276	1,544	1,401	2,011
Other households with dependent children	867	401	417	613
All households	14,437	9,748	10,455	13,249
Couples with dependent children	71.3%	80.0%	82.6%	80.2%
Lone parents with dependent children	22.7%	15.8%	13.4%	15.2%
Other households with dependent children	6.0%	4.1%	4.0%	4.6%
All households	100.0%	100.0%	100.0%	100.0%
Total % with dependent children	28.9%	28.0%	29.5%	27.0%

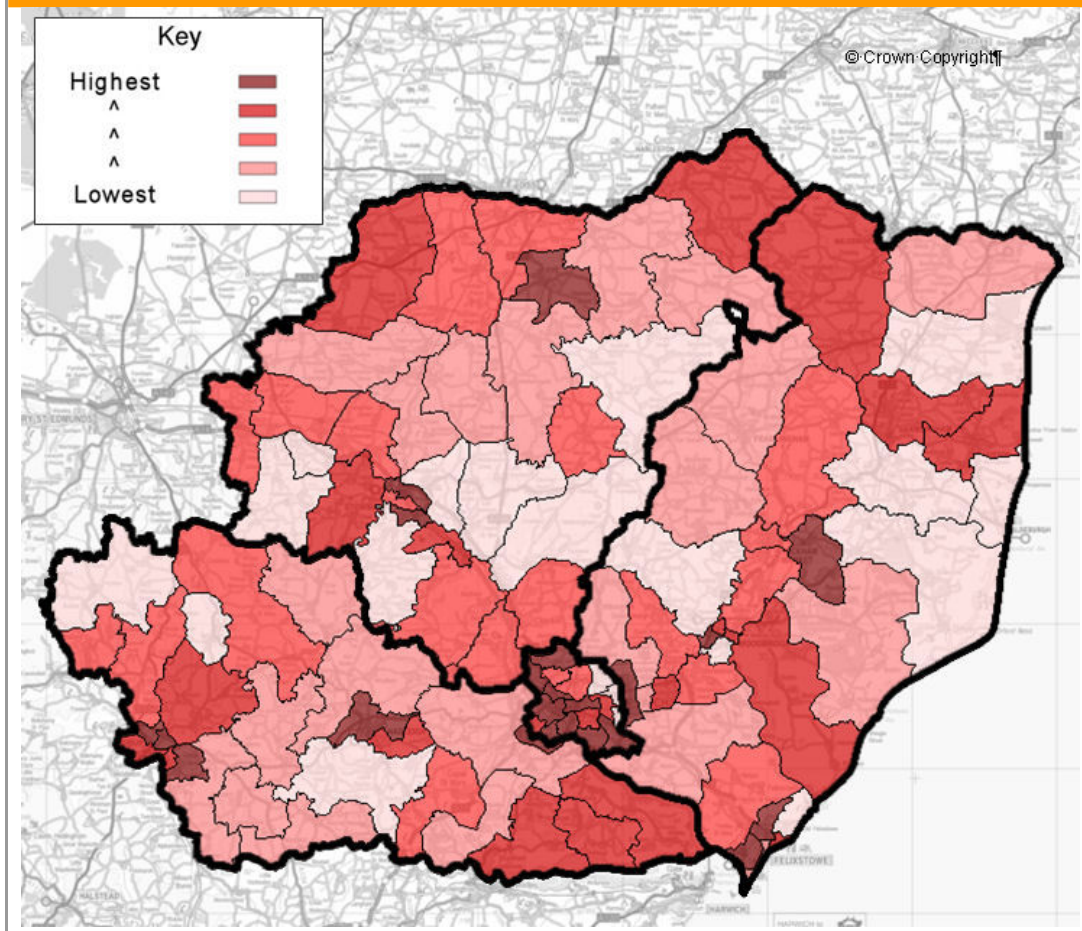
Source: Office for National Statistics 2007 (from 2001 Census data)

10.92 The maps below show firstly the proportion of households with dependent children and secondly the distribution of lone parent households by ward. The data for the figures have been split into five broad categories (from highest proportion of households with dependent children to the lowest). The data for all households with dependent children does not show any clear cut trends in geographic terms. However, as noted in Chapter 5, households with dependent children are more likely than other types of households to live in owner-occupied housing.



10.93 For lone parents a clear trend emerges with such households being concentrated in Ipswich.

Figure 10.15 Spatial distribution of lone parent households in the HMA



Source: Office for National Statistics 2007 (from 2001 Census data)

Characteristics of households with children

10.94 Using Census data we are able to provide some characteristics of households with dependent children. The data shows that the tenure profile of all households with dependent children does not vary much from the profile of all households in the study area. However, there are considerable differences between the different groups of households with dependent children. In particular, there is a significant proportion of couples living in owner-occupied accommodation (83.9%) and the large proportion of lone parents are in the social rented sector (38.2%).

10.95 These results would tend to suggest that lone parent households are relatively disadvantaged whilst couple households with dependent children generally have a more prosperous profile.

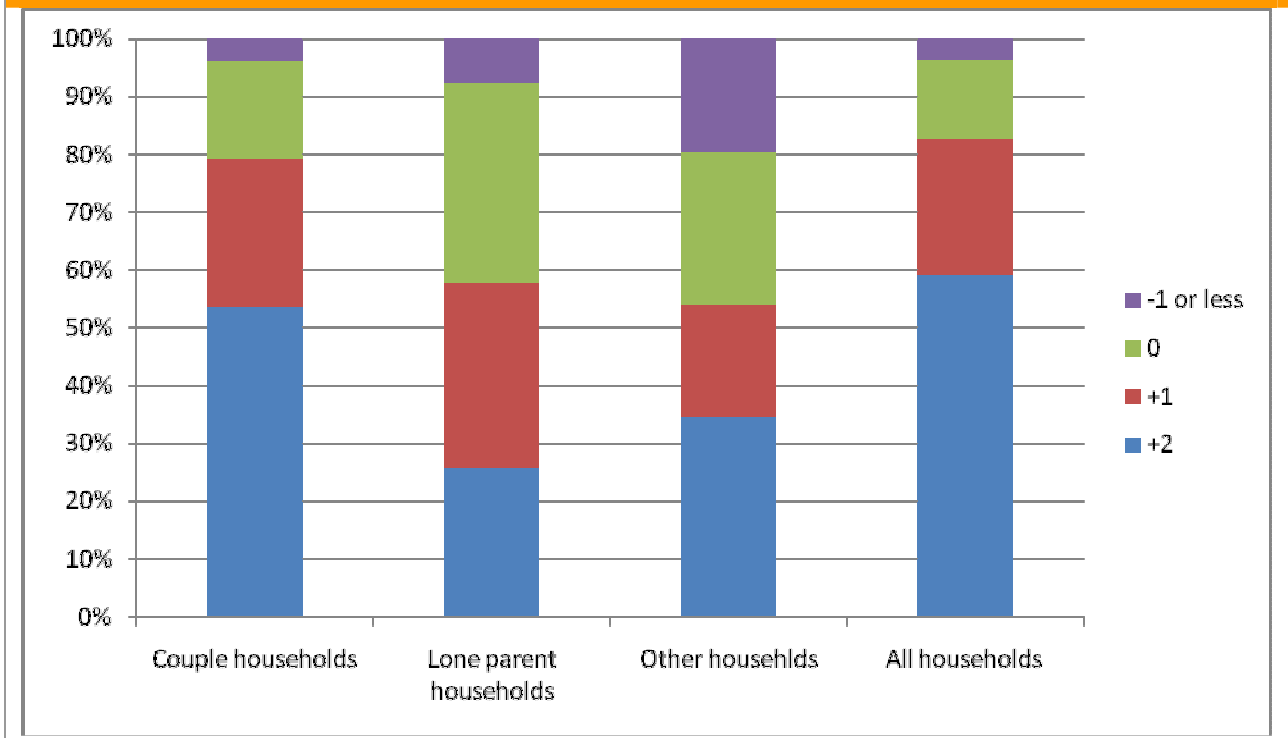
Table 10.15 Tenure of households with children in the HMA

Tenure	Couple dependent children	Lone parent dependent children	Other households dependent children	All households with dependent children	All households
Owner-occupied	30,081	3,131	1,550	34,762	122,903
Social rented	4,090	3,140	467	7,697	25,575
Private rented	3,187	1,959	226	5,372	20,675
TOTAL	37,358	8,230	2,243	47,831	169,153
Owner-occupied	80.5%	38.0%	69.1%	72.7%	72.7%
Social rented	10.9%	38.2%	20.8%	16.1%	15.1%
Private rented	8.5%	23.8%	10.1%	11.2%	12.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Office for National Statistics 2007 (from 2001 Census data)

- 10.96 Overcrowding is a key theme when looking at the housing needs of households with children and again Census data can allow us to look at the numbers and proportions of households in each of the various groups who are overcrowded on the occupancy rating (having a negative occupancy rating). The figure below shows the occupancy rating for the various household groups and how this compares with all households in the study area.
- 10.97 The data shows that households with dependent children are slightly more likely than other households to be overcrowded (negative occupancy rating) although this varies tremendously for different household groups. The 'other' group of households contains a very high proportion of overcrowded households – this group is likely to be mainly larger households (and will often be extended family households). Other than this group, lone parents show a high level of overcrowding with an estimated 7.8% of households having a negative occupancy rating.

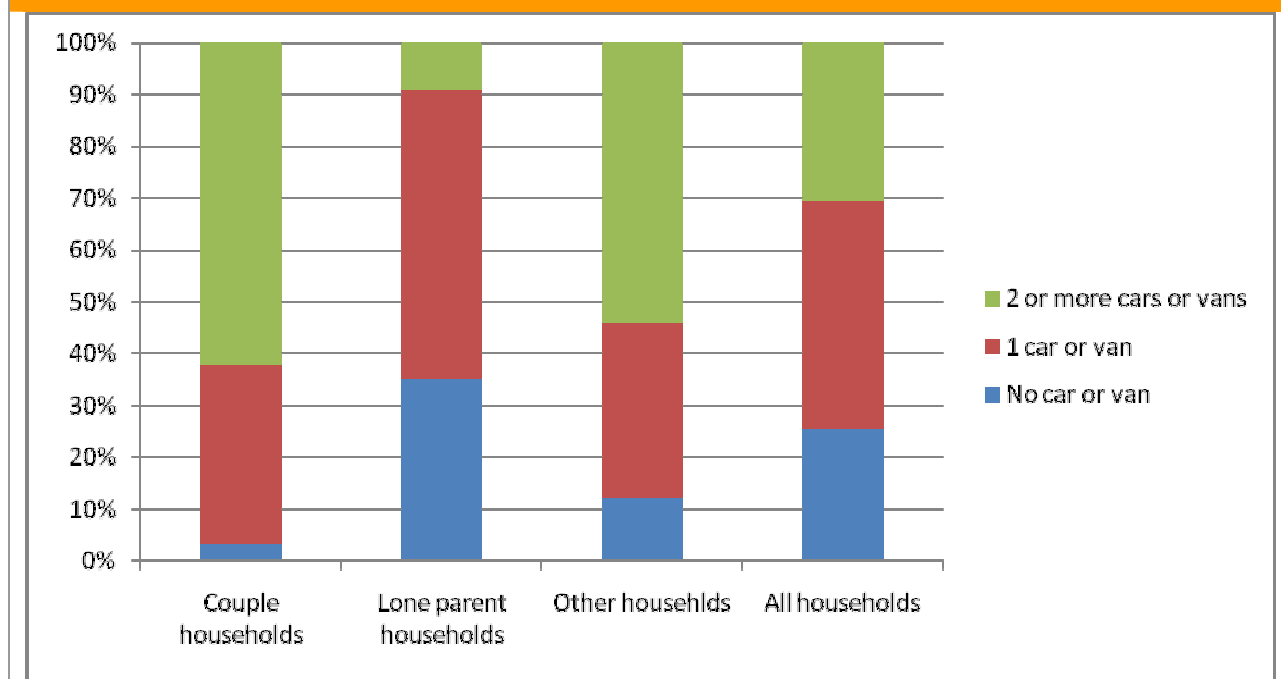
Figure 10.16 Occupancy rating by households with dependent children in the HMA



Source: Office for National Statistics 2007 (from 2001 Census data)

10.98 The final piece of data from the Census investigated is car/van ownership/use. This information is shown on the figure below. The data shows that overall households with children are more likely to have access to a car or van than other households. However, the data shows that, similar to older people lone parent households are far less likely than other households to have access to a car or van. This underlines the point made in Chapter 4 that some sections of the study area population, especially households living in rural areas, may experience problems accessing services due to a lack of transport.

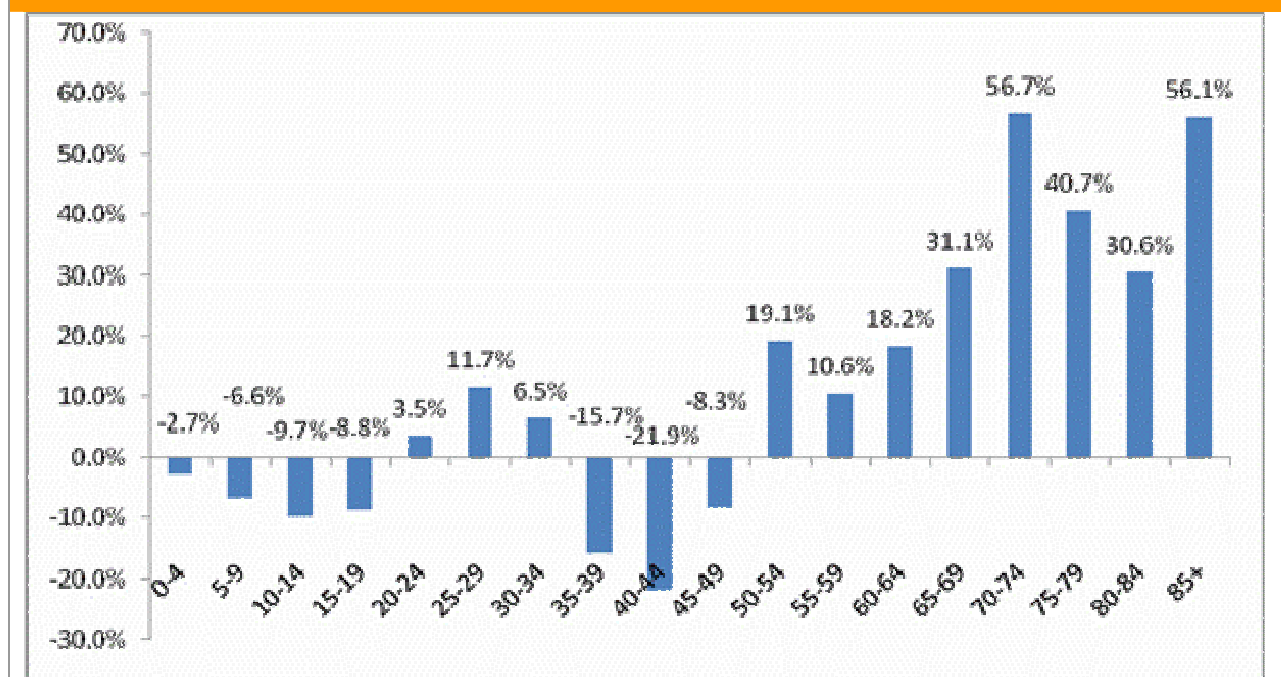
Figure 10.17 Car/van ownership/use by households with dependent children in the HMA



Source: Office for National Statistics 2007 (from 2001 Census data)

10.99 Official projections tend not to specifically address households with dependent children. Inferences can be made from population projections referred to earlier and repeated here for convenience.

Figure 10.18 Population changes by age in the study area 2006-2021



Source: ONS Population Projections, 2004

10.100 Clearly the growth of the ageing population and reduction of key adult groups infers that fewer households with children will be evident in the future.

10.101 Stakeholders were keen to point out that some small towns were experiencing a reduction of households with children. This is partly to do with the interest shown by retiring households and partly to do with house prices. Demographic trends reflect this.

10.102 The cheaper house prices found in Ipswich means that families with children will be more evident there.

Gypsies and Travellers

10.103 In relation to Gypsies and Travellers within the study, a Suffolk Cross-Boundary Gypsy and Traveller Accommodation Assessment (GTAA) was published in May 2007. At the time of the survey (Autumn 2006) the area had 41 pitches on one residential site managed by Ipswich Borough Council; 91 pitches on 15 private authorised sites; one unauthorised development containing approximately 19 pitches; a minimum of 29 families on unauthorised encampments; and at least 23 households in bricks and mortar housing. In all there was a minimum of 203 Gypsy/Traveller families on sites, houses or encamped at the time of the survey (Suffolk Cross-Boundary GTAA Executive Summary p.4).

10.104 The 2007 Suffolk Cross Boundary Gypsy and Traveller Accommodation Assessment (GTAA) suggests that there is a net need for 73-79 new residential pitches in the study area by 2011. The RSS Single Issue Review, however, recommended a higher figure of 103 new residential pitches in the study area by 2011. The GTAA also found a need for transit provision, but recommended that the need for permanent residential pitches should be addressed first.

Figure 10.19 GTAA 2007 pitch requirements

Authority	Total residential need in pitches (1)	Supply of pitches (turnover) (2)	Total residential need (3) = (1) – (2)	Estimated transit pitch need (+/- 2) (4)	Total pitch need (3) + (4)
Babergh	1	Nil	1	10	11
Ipswich	26 – 28	25	1-3	10	11-13
Mid-Suffolk	41 - 43	Information not available	41-43	10	51-53
Suffolk Coastal	30-32	Nil	30-32	10	40-42
Waveney	1	Information not available	1	10	11
Total	99-105	25	74-80	50	124-130

Note: The overall assessed need for the Study Area was calculated as 98 – 103 and 73-78 residential pitches (see page 103 of the full report) and differs by 1-2 units because of rounding numbers up during the calculation for individual authorities.

Source: Suffolk Cross-Boundary Gypsy and Traveller Accommodation Assessment (GTAA) (2007), Executive Summary (p.7)

10.105 The GTAA also recommends that authorities should ensure that there is a variety in transit provision (i.e. sites for temporary use) in order to cater for the variety of needs. This might range from formal transit sites, through to less-equipped stopping places used on a regular basis, as well as temporary sites with temporary facilities available during an event or for part of the year. In some cases it may be appropriate to develop larger pitches on residential sites to provide the potential to meet the needs of short-term visiting friends and family of site residents.

10.106 Importantly, the RSS single issue review on planning for Gypsy and Traveller accommodation in the East of England (January 2008) recommends that there is a need for 103 additional pitches within the study area between 2006 and 2011. This compares to the 73 to 79 new residential pitches suggested by the 2007 Suffolk Cross-Boundary GTAA. Also, the review recognises that many of the users of sites in Suffolk Coastal are travellers rather than gypsies, a situation that may require a more innovative approach to pitch provision.

Table 10.16 RSS Review proposed sites 2006-11

	Authorised pitches in 2006	Additional pitches required 2006- 2011	Proposed pitches 2011
Ipswich	43	15	58
Babergh	0	15	15
Mid Suffolk	69	42	111
Suffolk Coastal	0	31	31
TOTAL	112	103	215

RSS Single Issue Review on Gypsies and Travellers, January 2008

Gypsy & Traveller Workshop, July 2008

10.107 As noted in Appendix 2, a Gypsy & Traveller workshop was held in July 2008 at a Gypsy and Traveller site in Ipswich run by the local authority. Three residents and one traveller liaison officer attended – all expressed an interest in attending a dedicated BME workshop later during the month. One resident felt Gypsies and Travellers did not have different needs from anyone else in terms of bricks and mortar housing.

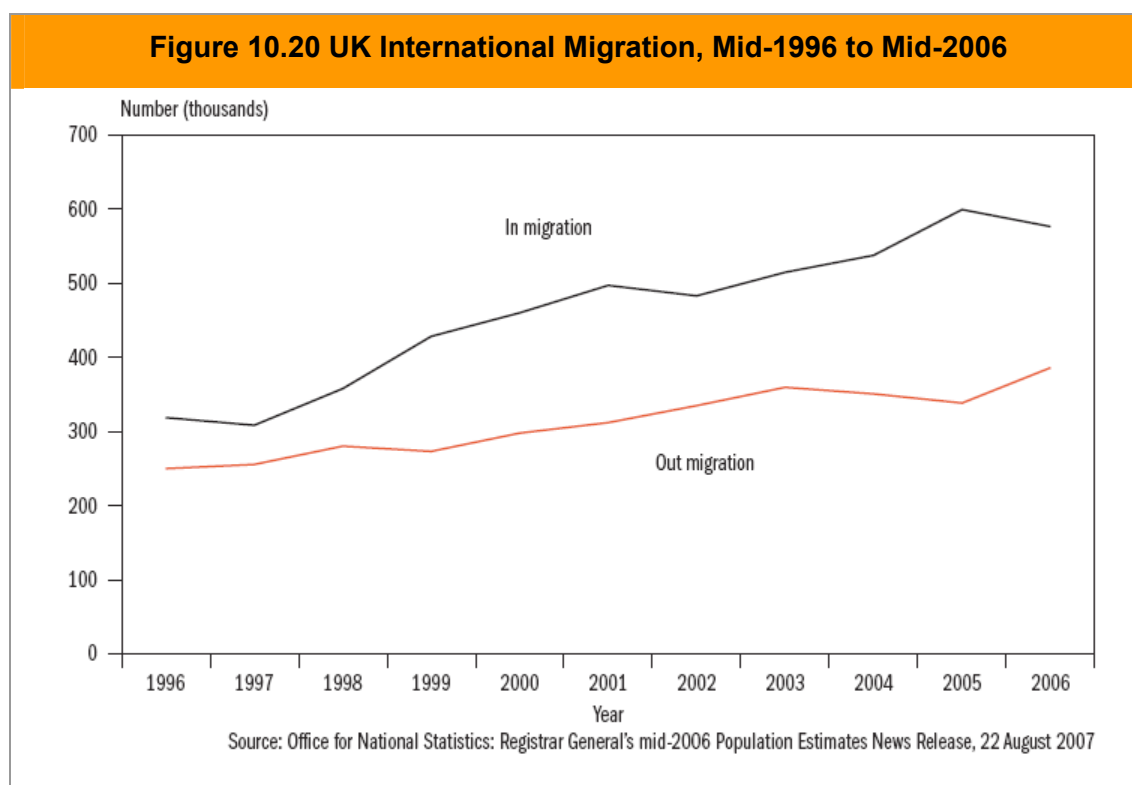
BME Workshop, July 2008

10.108 At the BME workshop one stakeholder stated that some Gypsies and Travellers have been evicted from Local Authority sites for being ‘doubled up’ on pitches. However, they are not then accepted by local authorities as homeless either because they have a trailer (but with nowhere to put it), or because they have no local connection. Also, there is no monitoring of waiting lists for local authority sites to see how long people have waited. In response, the workshop suggested that there is need for a transit site for homeless Gypsy families who have a trailer with nowhere to put it. Also, it was suggested that if homeless Gypsies and Travellers are taken into temporary accommodation, their trailers could be stored until a permanent pitch is available. One stakeholder provided the example of a Norfolk local authority paying for a homeless Gypsy family to access a caravan site for 28 days until a permanent pitch could be found. Finally, it was suggested that larger unitary authorities might solve the problem of local connection (in part).

Migrant workers

10.109 Migrant workers are a group about whom relatively little is known, but who are rapidly changing, are growing in numbers, and are an important part of the employment pattern in many areas. Due to their recent arrival in this country and the low income many of them receive, their housing is naturally an issue. There is no official definition of a ‘migrant worker’, but as the name suggests, it generally describes households who have entered the country fairly recently and primarily for work purposes.

10.110 Similar to many areas throughout the UK, Suffolk has recently experienced an increase in migrant workers, especially from Eastern European countries. According to the Home Office, in the 12 months up to mid-2006, the flow of long-term migrants into the UK was 574,000 and the outflow was 385,000. Net international migration (the difference between long-term migration into and out of the UK) was 189,000 in 2006, down from 262,000 in the 12 months up to mid-2005 (p.5) (see below).



Source: Home Office 2007

10.111 Research undertaken by the Local Government Association (LGA) (2007) provides some indication of the number of migrant workers entering the study area between 2005/06. The figures suggest that within the study area, both in terms of absolute numbers and as a percentage of the local population, Ipswich had the highest intake of national insurance registered migrant workers.

Table 10.17 Migrant workers 2005/06			
Area	A. % of population from BME community	B. Overseas nationals registering for an NI number 2005/06	C. B as % of the local population
Ipswich	6.6	1,900	1.6
Babergh	1.3	310	0.4
Mid Suffolk	1.0	240	0.3
Suffolk Coastal	1.9	780	0.7
Study area	2.7	3,230	0.7

Source: LGA 2007

10.112 The research also suggests that in areas experiencing significant economic growth many migrants are living in overcrowded properties in a poor state of repair, sometimes with a high fire risk or other health and safety problems. It states that demand on social housing has, as yet, been low but the costs of increased Housing Benefit processing and issues of homelessness and destitution are issues in some areas. As such, the complexities of supply, demand, entitlement and need pose short and longer-term challenges.

10.113 These findings are supported by research on migrant workers in the East of England (2007) which suggests that many migrant workers within the region are living in poor quality housing and accommodation, often in houses in multiple occupation, 'portacabins' or caravans. Housing problems are further exacerbated by employers or landlords overcharging for housing and accommodation and failing to provide tenancy agreements or rent books. Further, the research found that migrant workers are more likely to experience abuse of their tenancy rights, with immediate eviction of workers on termination of their employment.

10.114 In response to the needs of migrant workers, Suffolk County Council has developed a 'New and Emerging Communities Forum Action Plan (April 2007 – March 2008)'. The Action Plan co-ordinates responses across partners and covers access to services, participation and representation, community safety and shelter, partnership and community leadership, data and information, and communication, which includes actions to promote community cohesion.

10.115 Stakeholders expressed few negative views about this group. However Councils will need to closely monitor the impact on services and the housing market. In other study areas we have seen direct competition between migrant workers and student households for shared housing and that entrepreneurs are keen to respond.

Students

10.116 In 2001, over 5,025 people originating from the study area were registered as students. The largest number of students derive from Suffolk Coastal (1,720) compared with Mid Suffolk (1,174), Babergh (1,168) and Ipswich (963). However, these represent the number of students originating from the study area – it is equally important to consider the number of students at educational establishments within the four local authority areas.

Table 10.18 Students	
	No.
Ipswich	963
Babergh	1,168
Mid Suffolk	1,174
Suffolk Coastal	1,720
Total	5,025

Source: ONS, 2001

10.117 In total, there are 21 further and higher education institutions operating within the Eastern England region. Although the County does not run its own non-affiliated university, it does contain two higher educational establishments – the University Campus Suffolk, based in Ipswich and affiliated to the University of East Anglia and West Suffolk College, based at Bury St. Edmunds.

National student housing market

10.118 Before considering the characteristics of the local student housing market it may be useful to examine the characteristics of the national student housing market.

10.119 During the last 10 or 15 years, following international trends, there has been significant growth in the number of students studying at further and higher educational establishments throughout the UK. Research undertaken by the JRF (2000) has suggested that increased demand has resulted in the establishment of 'niche' student markets. In most of the locations in the JRF study, students were living in particular types of property, in geographically specific neighbourhoods, and renting from landlords who would be unwilling to let to other groups.

10.120 According to the JRF there is some evidence that student markets can be subject to oversupply, leading to empty properties that are not readily available to other renting groups, either because of landlords' letting preferences or because other groups simply do not seek accommodation in the 'student areas'. However, the JRF argues that unless the local housing market was pressurised because of a generally high demand, other groups such as young professionals and low-income households tend not to be in competition for the same properties as students.

- 10.121 To some extent, this has occurred in Colchester due to Essex University substantially increasing its provision of accommodation and, as such, lowering demand for student accommodation in the private rented sector (Fordham Research, 2008). Also, Nottingham University reports that the rapid growth of over 10,000 purpose built private sector bed spaces over the last five years means that demand for non-purpose built student accommodation (particularly for first year students) will have fallen by an estimated 8,000 over that time²⁸. Similar issues around over supply have been found in Leeds. Concerns regarding an over supply in the student housing market have arisen in Newcastle where the situation appears to have been accentuated over the last two to three years with more buy-to-let investors coming into the marketplace²⁹.
- 10.122 Perhaps the most important research on student halls of residence is that undertaken by the National Union of Students (NUS) on student accommodation costs (2006/07). The survey was undertaken between August and September 2006 based on returns from 96 institutions and 61 private providers. The total number of bed spaces covered by the survey is 270,141 (NUS, 2007: 4).
- 10.123 According to the survey, the latest figures estimate that 23% of students live in either halls of residence provided by universities or purpose-built accommodation from corporate providers. More recently, there has been some growth in the number of universities entering partnership arrangements with private providers. In total, 8.5% of bed space is provided by educational establishments through formal partnership arrangements, and a further 18.6% is provided directly through private halls.
- 10.124 In terms of future provision, in 2007-2008, the number of bed spaces will increase by 3% (university halls and private halls). Of these, 55% will be supplied directly through private providers, 27% by the university or college directly, and 18% through nomination agreements. It can be predicted that by 2010 private providers and private sector partnership working will account for over 50% of what are thought of as “university halls of residence”.
- 10.125 Perhaps unsurprisingly, the Student Income and Expenditure Survey 2004/05 found that housing costs are the second-largest category of expenditure after living costs for most students. In comparison with the 2001-2002 NUS Accommodation Costs Survey, rents had risen by 37%, indicating that rent rises each year since 2001 have been substantial and that the rate of rise each year is increasing. By 2004/05, the average hall of residence rent in East Anglia was £80 per week, slightly higher than the national average of £78 per week, although it is likely that the average rent has increased yet further during the last four years.

²⁸ Nottingham Owners' Briefing located at: <http://www.unipol.org.uk/nottingham/Owners/briefing.asp#link4>

²⁹ Newcastle University located at: <http://www.ncl.ac.uk/accommodation/landlord/housing/market.php>

- 10.126 Importantly, the survey suggests that poorer students remain at home because of the costs of studying away from home and taking up a place in a hall of residence - a third of working class students live with their parents, compared to one in five upper and middle class students. The main reason these students choose to live at home is to save money (56%). A third of these students say they could not afford to move away from home to study (32%).
- 10.127 Finally, the survey stated that some poorer students are choosing their university and their course according to whether they will be able to commute from home to save money, rather than the university or course itself. This is of particular importance, because evidence also points to the fact that students living at home may be missing out on an important part of the student experience. A majority of students (62%) felt that those living at home were missing out on the full benefit of being a student (NUS, 2007: 16-17).

Study area student housing market

- 10.128 Compared with places like Colchester and Nottingham mentioned above, the study area's student housing market is much less developed although it is fast expanding. There were 3,000 higher education students at Suffolk College although they transferred to UCS in 2007. No data is collected on where they live or in what type of accommodation.
- 10.129 At present, the University Campus Suffolk (UCS) operates an accommodation office which provides a list of accredited providers offering a range of student residential accommodation, including dedicated student residential units and properties in the private sector. The approved accommodation providers list is available to all prospective students and their families, and only includes providers that have fulfilled quality and safety criteria. Rents vary according to the size, location and condition of accommodation. The University's accommodation centres at Bury St Edmunds, Great Yarmouth, Lowestoft and Otley currently do not have plans to develop dedicated accommodation for students.
- 10.130 Similarly, West Suffolk College does not have its own accommodation because most students live within travelling distance from home. However, they provide students with a list of local contacts where rooms in family homes are available. According to the College, most accommodation in the Bury St. Edmunds area costs around £60 per week per room.
- 10.131 However, UCS is currently expanding its Ipswich Waterfront campus which includes the provision of student accommodation. By the time the UCS project is completed in 2014, there will be the full-time equivalent of 6,950 students. Accommodation is planned for around 1,800 new bedspaces by either newbuild or conversions. Taking into account current accommodation, UCS will have 3,190 bedspaces by 2011/12, meaning a total of 3,760 students will have to be accommodated privately. Total current and projected UCS student accommodation provision is shown below:

Table 10.19 Student Accommodation	
	No.
2007/08	37
2008/09	232
2009/10	300
2010/11	2,621
Total	3,190

UCS, 2008

10.132 UCS has initiated a dialogue with the private rented sector to help deliver this capacity.

This number is significant and is likely to have an impact on the local housing market especially where larger houses are likely to be home to student households instead of families.

10.133 In 2005, as part of Ipswich's Housing Needs Survey, Fordham Research undertook research into the local housing needs of students. It found that nationally 22% of students live in halls of residence and 46% of students live in private rented accommodation. Based on these proportions the UCS plans for halls accommodation will be sufficient to meet needs. However, the expansion figures imply around 3,700 students will eventually need private rented accommodation in up to 850 units. As such, it is arguable that the characteristics of student households in Ipswich will change significantly. There will be a large increase in full-time, higher education students from the UK and abroad who are likely to require private rented accommodation.

10.134 Estate agents reported that student housing did not have a significant impact on the market at present. They felt most students would live in cheaper areas to the East of the town centre, close to the college and docks and that their presence did not make these areas less desirable. At present student housing is dispersed across Ipswich. Agents generally felt that the formation of areas dominated by student households would have a detrimental impact on the housing market.

10.135 As stated in Chapter 3 UCS is seeking to work with the private rented sector to deliver the additional housing that will be required. We have already observed investor activity in this regard. Ipswich Borough Council will need to monitor the impact of 'studentification' in the future. However, there is no evidence of an over supply of student accommodation within Ipswich. Current negative economic circumstances suggest that the buy-to-let-market, an important source of student accommodation in many areas, may decline, further limiting the likelihood of an over supply of student accommodation in Ipswich.

10.136 To summarise, the study area currently contains a relatively small student housing market. However, UCS's expansion plans to its Ipswich Waterfront campus means that this may change considerably within the near future. Of particular importance are its plans to provide up to 3,000 student bed spaces by 2010/11. Whilst this will accommodate around half of all projected students, the remainder will be mostly accommodated in the private rented sector. Inevitably, this will lead to some form of 'studentification' in some areas. Whilst this sometimes brings its own problems (e.g. noise or inappropriate behaviour) it is also likely to bring economic and cultural benefits. Advantageously, Ipswich's less mature student housing market means that it is in a better position to avoid problems such as the over supply of student housing that have recently been experienced in places such as Colchester, Nottingham and Newcastle. Finally, as suggested by UK Universities, the key to avoiding problems associated with studentification is to foster consultation and discussions between different organisations and stakeholders.

Suffolk Supporting People Strategy 2005 – 2010

10.137 Suffolk County Council's *Supporting People Strategy 2005-2010* identifies and discusses the housing needs of groups not discussed above including victims of domestic violence, homeless people and rough sleepers, people with mental health issues, people with learning disabilities, people with physical or sensory disabilities, people who misuse alcohol and people who misuse drugs and offenders.

Victims of domestic violence

10.138 According to the Strategy, there are 36 accommodation based refuge places in Suffolk, based within three local authority areas. Ipswich is the largest with 23 units. There is limited resettlement (18 countywide and one in Waveney) and no services for people living in their own homes. However, it argues that there is a need for more services as all three refuges have had to turn away a lot of people.

10.139 Babergh, Mid Suffolk and Suffolk Coastal have said they need support for women escaping domestic violence (in 2003/2004 34 women from these areas needed support). The housing registers show women from these authorities are using the refuge in Ipswich and then being re-housed in the area they originally came from.

10.140 Unfortunately, although the strategy accepts that up to one in six men may be victims of domestic violence sometime in their lives there are, at present, no services within the County available to support male victims.

Homeless families and single homeless people

10.141 The report suggests that the poorest areas of Suffolk are likely to have the most homeless people. The main reasons for people becoming homeless are relationships breaking down, family or friends asking them to move out of their home and money problems. More people are becoming homeless because private landlords have asked them to leave their homes so they can get higher rents from other tenants or sell the property. In some parts of Suffolk this is the main reason for the increase in the number of homeless people.

10.142 There is a current supply of 187 homeless family and 908 single person homelessness units in Suffolk. There is a countywide floating support service for single people (91). Suffolk Coastal and Babergh have a good supply. Mid Suffolk has limited provision of accommodation for families (5) and no floating support for families. Ipswich has noted a significant increase in homeless cases, and does not believe that it has adequate provision.

10.143 Finally, there is a general recognition that floating support services can play a key role in supporting homeless people and a desire for more of these services to be made available.

People with mental health issues

10.144 According to the Strategy, most of the accommodation based services for people with mental health problems is in the east of the County. Since April 2003 Suffolk County Council has helped pay for a number of new supported housing schemes including two high-level support services in St Edmundsbury and Ipswich, which are now occupied.

10.145 One important need identified by the strategy is the provision of more support services that allow people with mental health problems to live in general housing rather than in specialist accommodation.

People with learning disabilities

10.146 The Supporting People Strategy cites a number of sources which suggest:

- The County does not plan well for young disabled people as they move into adulthood
- People with learning disabilities often have little choice or control over many aspects of their lives
- People with learning disabilities do not have much choice about where to live
- Agencies within the County often overlook the needs of people from minority ethnic communities
- Spending on services is not consistent across the County
- There are few examples of real partnership working between health and social care or involving people with learning disabilities and their carers

10.147 In order to address these key issues the County Council has set up partnership boards while local councils have developed local housing strategies. The strategy identifies five groups of people with learning disabilities within the County who need better housing and support:

- People living in NHS campus-style accommodation
- People living in residential or nursing care
- People living with older carers
- People living outside the County, but receiving services we are paying for
- People with serious and multiple learning disabilities

10.148 One problem identified by the County is that although recent national and local strategies have said there is a need to provide more services for people with learning disabilities, none have said exactly how much or what type of accommodation is needed. They know there are 116 people currently living in NHS accommodation who need to be moved, but they need to work with social care to find out how many other people there are and what housing they need.

People with physical or sensory disabilities

10.149 The County Council fund a range of services for people with physical or sensory disabilities across Suffolk including:

- Two county-wide floating support services for people with sensory impairments (55 units in total)
- Housing for people with physical and sensory disabilities, and people with a brain injury

10.150 As there is not a great demand for accommodation, the housing for these groups is in the larger towns, but they take people from across the County. The County Council have worked with Home Improvement Agencies (HIAs) to improve the support available to people to help them stay in their own homes. The housing renewal reforms introduced by the Regulatory Reform Order of July 2002 identify HIAs as having a key role to play in helping local authorities deliver a broader range of funding options in their areas.

People who misuse substances

10.151 The Strategy identifies people with alcohol and drug addictions as often also having many other problems – they may be homeless, involved in crime and suffering from depression or other mental illness. According to the Strategy, Suffolk County Council currently fund very few support services specifically for those who abuse alcohol or drugs, although people can get help through services aimed at others – for example, homeless people.

10.152 Ipswich has four accommodation-based units for people with drug problems. However, there are services available for people who have substance misuse issues not funded by the County Council and so not discussed by the Strategy. The main need identified by the strategy is for specialist support to people with substance misuse problems.

Offenders

10.153 The Strategy states that housing-related support services for offenders and those at risk of offending helps reduce crime by:

- Providing safety and security for offenders leaving prison, or those at risk of offending
- Providing safety and security for the community and the offender, where housing some offenders away from their home town for their own benefit or for the benefit of the wider Community
- Helping offenders gain independent living skills

10.154 It identifies the key issues for support services for offenders across the region as:

- There is not enough information on the number of offenders looking for accommodation across the boundaries
- There are not enough housing projects
- There are not enough support services immediately before and after offenders are released from prison. Also, existing services do not act across the administering authorities boundaries
- Offenders have complex support needs
- The transfer of Probation Accommodation Grants Scheme funding to the Supporting People budget means the Probation Service can no longer sort out our accommodation for offenders
- Move-on accommodation from shared supported-housing provision remains a critical issue for this client group, and again can be seen as a cross boundary issue. There is not enough accommodation for offenders to move into once they leave supported-housing and the County Council need to look at this across the region

10.155 Whilst the Strategy acknowledges that there is a need to do more work to find out how many offenders are looking for accommodation outside their home town or village, a range of cross-local authority actions have already been implemented.

10.156 As noted in Appendix 2, the stakeholder processes undertaken during June and July 2008 elicited two written response that were relevant to Supporting People. The first was that the SHMA does not provide Supporting People with new information on housing needs and draws on Supporting People's own 2005-10 Strategy as evidence of supported housing need in Suffolk. Unfortunately, this secondary-data only SHMA is unable to provide the necessary primary data required to update information on housing needs although it highlights those issues that may impact on housing need e.g. housing affordability, demographic changes etc.

10.157 A second written comment informing the SHMA that the Suffolk Non-Accommodation Partnership (SNAP) now provides floating support provision for all Suffolk districts except Waveney. Starting in June 2008, it is operated by a consortium of local providers and looks to provide around 1,200 to 1,500 places of support per year, provided that clients are supported for around six months at a time.

Homelessness

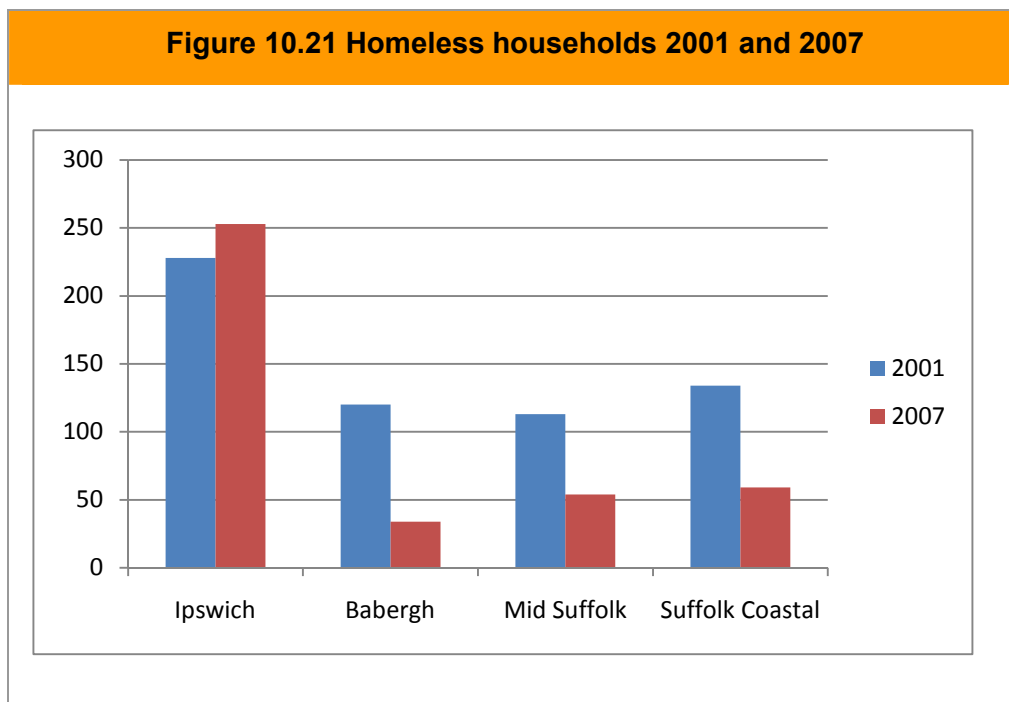
10.158 One of the issues raised during the stakeholder process during June and July 2008 was whether the current negative economic and housing conditions may result in increased homelessness within the study area. As noted in Chapter 3, a range of homelessness strategies have been developed at both regional and district levels, and as noted in sections 10.134 to 10.136 above, both accommodation units and floating support services are available for homeless people within the study area.

10.159 From a national perspective, the number of households that became homeless (accepted by local authorities as owed the main homelessness duty in England) between January 2008 and March 2008 was 10 per cent lower than the same period in 2007. Homelessness acceptances peaked in 2003/04, and since then have more than halved, with year on year reductions.

10.160 In addition, the number of households living in temporary accommodation has been falling since the end of 2005. On 31 March 2008 the number had fallen by 11 per cent compared to 31 March 2007 and is now 23 per cent lower than the peak in 2004. Around one third of local authorities in England have already met the target. Further, the National Rough Sleeping Estimate for 2007 shows a 73 per cent reduction in rough sleeping in England since 1998³⁰.

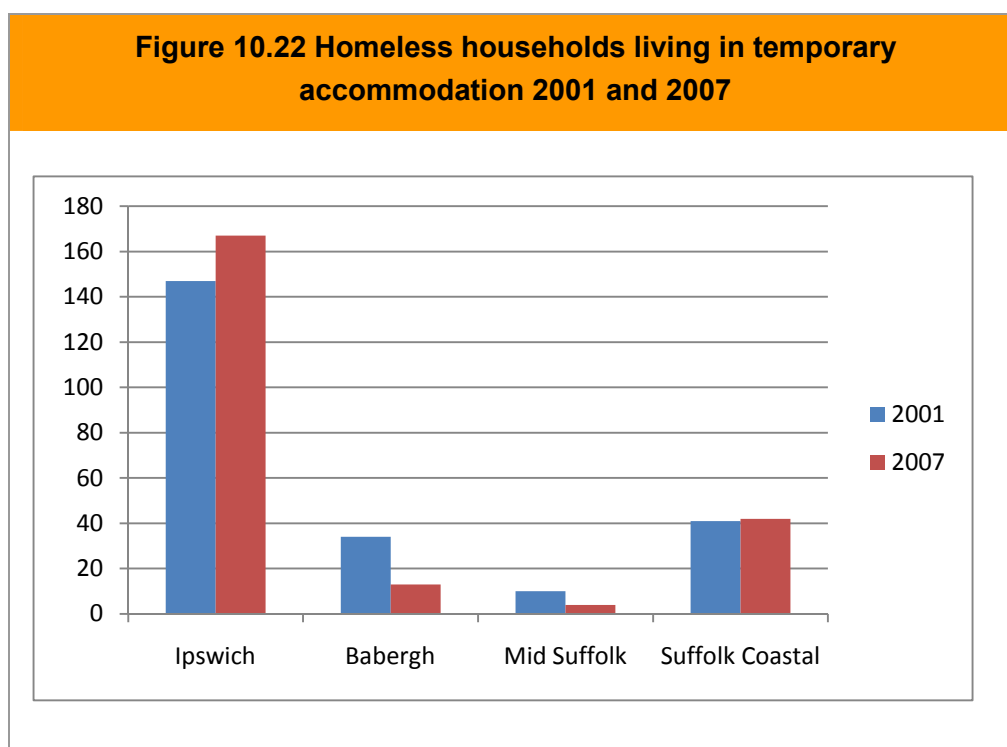
³⁰ DCLG <http://www.communities.gov.uk/housing/homelessness/>

10.161 To some extent, local figures on homelessness reflect these national trends. Between 2001 and 2007 the number of households accepted as homeless and in priority need reduced from 595 in 2001 to 400 in 2007. However, whilst the number of homeless households accepted as in priority need between 2001 and 2007 declined in Babergh, Mid Suffolk and Suffolk Coastal, the number of homelessness acceptances in Ipswich increased from 228 in 2001 to 253 in 2007.



Source: HSSA, 2007

10.162 The number of homelessness households living in temporary accommodation within the study area decreased only slightly from 232 in 2001 to 226 in 2007. By far, the largest number of households living in temporary accommodation in 2007 was in Ipswich (167), reflecting the town’s more acute homelessness problem.



Source: HSSA, 2007

10.163 As noted in Appendix 2 below, there were issues relating to the housing needs of BME people and refugee women raised at stakeholder events. More specifically, it was noted that people from BME groups were over-represented among homeless applicants. The Refugee Women's Group raised issues about overcrowding, poor standards of rented accommodation and difficulty accessing housing advice through the Customer Service Centre. These issues will be taken up through Ipswich's Homelessness Strategy.

10.164 In terms of future levels homelessness as noted in Chapter 5, since 2005/06, the number of claims issued against mortgage defaulters has increased significantly although the number of actual repossessions has increased more slowly. There is yet no evidence that housing repossessions have reached the crisis levels experienced in the early 1990s. However, figures for the first quarter of 2008 suggest that mortgage possession claims were 16% higher than in the first quarter of 2007. Similarly, housing repossessions for non-payment of rent in the private sector, although increasing at a slower rate compared with repossessions due to mortgage default, were 4% higher than in the first quarter of 2007.

10.165 Again as noted in Chapter 5, one reason for the difference between the rate of housing repossessions due to mortgage and rent defaults may be that rents have tended to increase at around the rate of the retail price index, whilst house prices over the last ten years have increased at a much higher rate.

10.166 Without local repossessions figures, it is difficult to determine how the current negative economic and housing conditions might influence homelessness figures within the study area. National trends suggest that housing repossessions due to mortgage default, and to a lesser extent, repossessions in the private rented sector due to non-payment, have increased in recent years. The extent to which such factors may impact on homelessness in the local area are difficult to determine, particularly given the substantial differences in homelessness rates between Ipswich (as a predominately urban area) and the relatively less acute homelessness problem in the remaining, three predominately rural districts.

10.167 Certainly, the increase in mortgage repossessions has not yet translated into a substantial increase in homelessness, both nationally and locally. Also, it may be the case that the implementation of both national and local homelessness strategies is having a positive impact on preventing and reducing homelessness in a manner that was not apparent during the last 'homelessness crisis' of the early 1990s. Nonetheless, it is arguable that over the medium-term (the next two or three years) factors such as a lack of housing affordability, increasing unemployment and repossessions both in the owner-occupied and private rented sectors, may lead to increased levels of homelessness within the study area.

Summary of findings

10.168 Here we draw together the key findings for each household group. Please note that policy themes focused on these specific groups can be found in Chapter 12, with current policy context previously discussed in Chapter 4. Stakeholder perspectives of the needs, demands and experiences of these groups are highlighted in Chapter 3 and Appendix A2.

BME Households

- The data shows that the proportion of people from BME groups within the study area is lower compared with regional and national averages. Only 4.6% of people living in the study area described themselves as belonging to a BME group compared with 7.4% regionally and 11.7% nationally. The largest BME group within the study area consists of 'White Other' at 1.7% with the size of the remaining BME groups being relatively small
- The data shows that all BME groups are more likely to be overcrowded than White (British/Irish) households (a negative occupancy rating).
- The BME population is projected to have increased significantly since 2001 (by around 72% in the period from 2001 to 2005), whilst the White British/Irish population increased by 0.3%

Households with specific needs

- Data from the 2001 Census suggests that 31.2% of households in the HMA contain someone with a limiting long-term illness (LLTI) whilst 16.8% of the population have a LLTI. These figures are lower than both regional and national figures. There is little variation between the districts within the HMA.
- The population with a LLTI is concentrated within the social rented sector and appears to be somewhat disadvantaged (for example having a very low car/van ownership/use compared with other households).

Key workers

- Census information about people working in 'public administration, education or health' has been used as a proxy for key workers. This data source suggests that 21.7% of employed people work in this industry across the HMA.
- 'Key workers' tend to be slightly younger and, on average, travel further to work than non-key workers.

Older person households

- Older person households make up a slightly larger proportion of the household population in the HMA when compared to equivalent regional and national figures, though there are variations: Suffolk Coastal has the highest proportion of pensioner households and Ipswich the lowest.
- There is a significant difference in relative prosperity between single pensioner and multiple pensioner households. Single pensioners are relatively concentrated in the social rented sector and tend to have limited use or ownership of a car or van whilst multiple older person households are more likely than average to be owner-occupiers and have a high level of car/van availability.
- Under-occupation is a key feature of the older person population and Census data suggest that a large proportion of older person households (particularly multiple older persons) have a high occupancy rating. Whilst much of the under-occupancy is in the owner-occupied sector there is a considerable number of households under-occupying social rented accommodation.

Families with children

- Data from the Census suggests that just over a quarter (28.3%) of households in the HMA contain dependent children (slightly higher than regional and national averages). Suffolk Coastal shows the smallest proportion of households with dependent children (27.0%) whilst lone parents are concentrated in Babergh.
- Census data suggests that the overall characteristics of households with children are not much different to the household population as a whole. However, there are significant differences within the groups. In particular, married couple households with dependent children show high financial capacity with high levels of owner-occupation and car/van ownership/use whilst lone parents are more concentrated in rented housing with low car/van ownership/use.
- Other households with dependent children and lone parent households also showed a relatively high level of overcrowding (using the occupancy rating).

Gypsies and Travellers

- The 2007 Suffolk Cross Boundary Gypsy and Traveller Accommodation Assessment (GTAA) suggests that there is a net need for 73-79 new residential pitches in the study area by 2011. The RSS Single Issue Review, however, recommended a higher figure of 103 new residential pitches in the study area by 2011.
- The GTAA also found a need for transit provision, but recommended that the need for permanent residential pitches should be addressed first.
- The RSS single issue review on planning for Gypsy and Traveller accommodation in the East of England (January 2008) recommends that there is a need for 103 additional pitches within the study area between 2006 and 2011.
- The review recognises that many of the users of sites in Suffolk Coastal are travellers rather than gypsies, a situation that may require a more innovative approach to pitch provision.

Migrant workers

- Government figures suggest that during 2005/06 3,230 migrant workers registered for National Insurance numbers within the study area, representing 0.7% of the population.
- Research undertaken by the East of England (2007) suggests that many migrant workers within the region are living in poor quality housing and accommodation.
- In response Suffolk County Council has developed a 'New and Emerging Communities Forum Action Plan (April 2007 – March 2008)'.

Students

- There are currently around 3,000 students studying at University Campus Suffolk (UCS).
- However, the existing Suffolk College site will be re-developed in order to accommodate up to 7,500 full-time equivalent (fte) higher education students and up to 4,000 fte further education students by 2014.
- Accommodation is planned for 1,500 students, meaning a total of 5,450 extra students will have to be accommodated privately.
- The increase in students seeking private rented sector accommodation may significantly impact on this housing sector by increasing demand and the 'studentification' of some areas

Supporting People Groups

- Suffolk County Council's Supporting People Strategy 2005-2010 identifies and discusses the housing needs of groups not discussed above including victims of domestic violence, homeless people and rough sleepers, people with mental health issues, people with learning disabilities, people with physical or sensory disabilities, people who misuse alcohol and/or drugs and offenders.

Homeless people

- Between 2001 and 2007 the number of households accepted as homeless and in priority need reduced from 595 in 2001 to 400 in 2007.
- Whilst the number of homeless households accepted as in priority need between 2001 and 2007 declined in Babergh, Mid Suffolk and Suffolk Coastal, the number of homelessness acceptances in Ipswich increased from 228 in 2001 to 253 in 2007.
- It is arguable that over the medium-term (the next two or three years) factors such as a lack of housing affordability, increasing unemployment and repossessions both in the owner-occupied and private rented sectors, may lead to increased levels of homelessness within the study area.

SECTION E: BRINGING THE EVIDENCE TOGETHER

This section draws together the evidence presented and seeks to produce a synthesis of its implications for policy. The first chapter reviews policy and performance for market and affordable housing policies. The second draws the full range of evidence together and derives implications for future policy.

11. Current policy and trends in housing

The purpose of this chapter is to focus on:

- Present and future planning for affordable housing
- Present and future planning for market housing

Introduction

11.1 This chapter reviews current policies in the districts of the study area focussing upon affordable and market housing as separate issues.

National Housing Policy

Planning Policy Statement 3 (PPS3).

11.2 Before examining local housing and planning policy it may be useful to consider the influence of national housing policy. One of the most significant policies of recent years was the government's Planning Policy Statement 3 (PPS3). This was published in November 2006 partly in response to the recommendations contained in the Barker Review of Housing Supply (March 2004).

11.3 PPS3 set out the national planning policy framework for delivering the Government's housing objectives. It reflected the Government's commitment to improving the affordability and supply of housing in all communities, including rural areas, informed by the findings of the Affordable Rural Housing Commission. It argued that the delivery of housing in rural areas should respect the key principles underpinning this PPS, providing high quality housing that contributes to the creation and maintenance of sustainable rural communities in market towns and villages.

11.4 There were two main aims underlying PPS3 relating to strategic housing policy objectives and planning for housing policy objectives. In terms of the former the Government's key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. To achieve this, the Government is seeking:

- To achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need

- To improve affordability across the housing market, including by increasing the supply of housing
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural

11.5 In terms of the relationship between planning and housing policy, PPS3 states that housing policy objectives should provide the context for planning for housing through development plans and planning decisions. The specific outcomes that the planning system should deliver are:

- High quality housing that is well-designed and built to a high standard
- A mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural
- A sufficient quantity of housing taking into account need and demand and seeking to improve choice
- Housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure
- A flexible, responsive supply of land – managed in a way that makes efficient and effective use of land, including re-use of previously-developed land, where appropriate

11.6 Importantly, and as noted in Chapters 1 and 2, PPS3 emphasised the importance of developing an evidence-based approach to determine housing and planning policies by undertaking Strategic Housing Market Assessments (SHMAs) and Strategic Housing Land Availability Assessments (SHLAAs). Further, as discussed below and in Chapter 4, Local Development Documents and Regional Spatial Strategies should be informed by a robust, shared evidence base, in particular, of housing need and demand.

11.7 In relation to affordable housing PPS3 outlines the requirements of local authorities including: setting an overall (i.e. plan-wide) target for the amount of affordable housing to be provided; setting separate targets for social-rented and intermediate affordable housing where appropriate; specify the size and type of affordable housing that, in their judgement, is likely to be needed in particular locations and, where appropriate, on specific sites; set out the range of circumstances in which affordable housing will be required (it notes that the national indicative minimum site size threshold is 15 dwellings); and set out the approach to seeking developer contributions to facilitate the provision of affordable housing. Much of the information required to fulfil these objectives within the study area will be determined by the completion of the viability study currently being undertaken by Fordham Research (see below).

11.8 Finally, PPS3 argues that in support of its objective of creating mixed and sustainable communities, the Government's policy is to ensure that housing is developed in suitable locations which offer a range of community facilities and with good access to jobs, key services and infrastructure. This should be achieved by making effective use of land, existing infrastructure and available public and private investment, and include consideration of the opportunity for housing provision on surplus public sector land (including land owned by Central Government and its bodies or Local Authorities) to create mixed use developments. The priority for development should be previously developed land, in particular vacant and derelict sites and buildings. As such, PPS3 suggests that the national annual target is for at least 60 per cent of new housing to be provided on previously developed land. However, it must be noted that at least some of the housing provision policy within the study area will be determined by the growth area status of the Haven Gateway.

Decent Homes

11.9 One further national housing policy that may impact on local housing policy is the introduction of the Decent Homes standards. In 1997 there were 2.1 million homes owned by local authorities and housing associations that did not meet the decent homes standard. Local authorities had a £19 billion backlog of repairs and improvements. As such, the Housing Green Paper published in July 2001 introduced its Decent Homes policy. In general terms, a 'decent home' is defined as one which is warm, weatherproof and has reasonably modern facilities. To be decent a home must meet four criteria:

- i) Meet current statutory minimum for housing (Fitness Standard)
- ii) Is in reasonable state of repair
- iii) Have reasonably modern facilities and services
- iv) Provide a reasonable degree of thermal comfort

11.10 The Government argues that decent homes are important for the health and well-being of those living in them. It argues that poor housing helps an area to get a bad reputation and may make it an unpopular place to live. This in turn may lead to the breakdown of communities. In short decent homes are a key element of any thriving, sustainable community. Decent Homes policy therefore determines that everyone should have the opportunity to have a decent home. It is aiming to make all council and housing association housing decent and also wants to improve conditions for vulnerable households in privately owned housing, particularly those with children.

11.11 The Green Paper set out two Decent Homes targets: to reduce by one third the number of social housing properties which fail the standard by 2004; and to have all social rented homes meeting the Standard by 2010. In 2004 the government introduced Decent Homes targets (known as PSA 7) for vulnerable people living in the private sector. Local authorities will be deemed to have PSA 7 targets if:

- There is a year on year increase in the proportion of vulnerable private sector households in decent homes;
- The proportion of vulnerable private sector households in decent homes is above 65% by 2006/07;
- The proportion of vulnerable private sector households in decent homes is above 70% by 2010/11; and
- The proportion of vulnerable private sector households in decent homes is above 75% by 2020/21.

11.12 Unfortunately, at a national level the 2004 target was not met. However, with regards to the study area all four councils have made good progress towards meeting the target of ensuring that all social housing is at Decent Homes standard by 2010 and meeting the private sector targets (the proportion of unfit homes in the study area was discussed in Chapter 6). The total number and proportion of non-decent homes within the study area is shown below:

Table 11.1 Non-decent housing stock				
	Total	No. non-decent	% non-decent	Date
Ipswich	55,557	20,501	36.9	2005
Babergh	37,715	14,332	38.0	2005
Mid Suffolk	39,586	5,500	13.9	2005
Suffolk Coastal	56,535	14,756	26.1	2005
Study Area	189,393	55,088	29.1	#

Source: local authority reports 2005-2008

Note: Mid Suffolk figures refer to private sector housing only

11.13 However, one problem that all Councils face is the difficulty in sourcing funding to complete their Decent Homes programmes. Many Councils may find that they do not have the financial resources available to ensure their homes meet this standard. On a regional basis the Government Office for the East of England states that in order to meet the 70% PSA 7 target, between 87,947 and 104,870 non-decent homes will need to be made decent between May 2006 and December 2010. This will cost between £532.4m and £634.5m whilst current proposed spending for the region up to 2010 is £83.37m. It is therefore apparent that, at current levels of funding, it is unlikely that all local authorities will meet Decent Homes targets by 2010.

11.14 To help them the Government has set out some options for additional financial investment:

- Set up an Arms Length Management Organisation (ALMO) to manage the housing, but with ownership remaining with the Council
- Use Private Finance Initiatives (PFI) to bring in additional private sector investment to achieve Decent Homes

- Transfer all or some of the housing stock to a Registered Social Landlord or Housing Association who are able to borrow money from banks and building societies to buy and invest in improving the housing to bring it up to a decent standard

11.15 All three study area local authorities with social rented properties (i.e. excluding Suffolk Coastal) have decided to retain their housing stock. To summarise, it is apparent that whilst meeting Decent Homes standards is a key priority for all four councils, it is not yet clear as to whether the relevant targets will be met by 2010/11.

The current planning situation

11.16 It will be recalled from preceding chapters on policy context that the overall target for the study area is for 39,500 additional dwellings between 2001 and 2021. More than half (20,000) of all new dwellings are to be built in the Ipswich Policy Area with much smaller provision in the remainder of Babergh (5,000), Mid Suffolk (7,500) and Suffolk Coastal (7,000).

11.17 Taking into account dwellings already built between 2001 and 2006, the annual provision targets for the four study areas 2006-2021 are: Ipswich Policy Area (830 dwellings pa), Babergh (280 dwellings pa), Mid Suffolk (430 dwellings pa) and Suffolk Coastal (510 dwellings pa).

11.18 Throughout the study both developers and council officials have looked forward to receiving the Strategic Housing Market Assessment report and evidence base to guide the likely characteristics of this new housing.

11.19 Additionally there is keen interest in what issues the Strategic Housing Market Assessment uncovers that might be appropriate to feed into the District level strategic planning process and the formulation of Local Planning Documents.

11.20 All four councils are working toward the production of their statutory Local Development Frameworks.

Local Development Frameworks

11.21 The present planning structure involves Local Development Frameworks (LDFs), but the old Local Plan system is still in place in many areas. As a result there is still a hybrid situation as regards what plans are actually adopted, or in other words represent the formal position of the councils involved. More informal documents and parts of draft LDFs are often more relevant as being designed for the new context. The following is the summary position across the study area.

Ipswich

- 11.22 Ipswich Borough Council was the first local authority in the East of England to submit its Local Development Scheme (LDS) to, and gain approval from, Government Office in 2005. The current version of the LDS is that published in May 2007.
- 11.23 The policies and guidance contained within the emerging Ipswich Local Development Framework will eventually replace the policies contained in the current Local Plan and further information set out in supplementary planning guidance and other supporting documents.
- 11.24 It is expected that the Local Development Framework will consist of the following four documents:
- Statement of Community Involvement
 - Core Strategy & Policies
 - Site Allocations & Policies
 - IP-One Area Action Plan
- 11.25 Ipswich adopted its Statement of Community Involvement in September 2007 and has recently (March 2008) completed its consultation on its LDF Preferred Options proposals for the three development plan documents and will soon be publishing its results.

Babergh

- 11.26 The Development Plan for Babergh currently consists of the Suffolk Structure Plan (adopted 2001), the Suffolk Minerals Local Plan (adopted 1999), the Suffolk Waste Local Plan 2006 and the Babergh Local Plan Alteration No. 2 (adopted June 2006). The newly adopted Local Plan provides comprehensive development plan coverage for Babergh with an end date of 2016.
- 11.27 Babergh's Local Development Scheme was adopted by the Council in July 2007.

Mid Suffolk

- 11.28 Mid Suffolk's Local Development Scheme is currently being revised to take account of the proposed Government changes to the Local Development Framework process, further work required for the Core Strategy Pre-Examination process and staff changes within the Planning Policy Team.

11.29 In line with advice from Government Office, Mid Suffolk are now progressing a 'draft' Local Development Scheme during this interim period, which will maintain the previous December 2006 LDS where possible. The proposed timetable will be formally adopted once the Government changes are finalised, which is expected in summer 2008, but is potentially subject to change.

Suffolk Coastal

11.30 Suffolk Coastal is currently revising its 2007 Local Development Scheme and is expected to have a new programme agreed by the end of 2008. This will set out a revised timetable for its main LDF documents, namely the Core Strategy including development control policies; Site Specific Allocations; Area Action Plans for Leiston and Saxmundham and a number of other supporting Supplementary Planning Documents. The first of these documents is not expected to be adopted before Spring 2010.

11.31 Until the new LDF is in place, more local planning policy coverage will be provided through the operation of the "saved" policies from the Suffolk Coastal Local Plan 2001 incorporating 1st Alterations. The 2nd Alterations which relate purely to the provision of affordable housing are automatically "saved" having been adopted in March 2006.

Affordable housing current policies

11.32 In all four districts it is policy to seek the provision of affordable housing from developers on suitable sites. However, as might be expected, the individual policy and target parameters vary, reflecting the disparate individual history, circumstances, and evolving strategic framework, in each case. In the case of all districts the policies from the respective Local Plans still remain.

11.33 Also, as noted in Appendix 2 on the stakeholder process below, economic conditions are likely to impact on the future supply of affordable housing, at least in the short to medium-term. Interestingly, one developer stated that variations in affordable housing requirements do not make much difference to them as they simply appraise the cost of providing affordable housing and transfer those costs to sales. However, if the costs of providing affordable housing are transparent then an appraisal of whether the scheme is viable becomes easier. Lastly, one stakeholder argued that in relation to the site sizes, councils will need to ensure that any affordable housing site size threshold does not act as a deterrent to landowners and developers as to their release for development.

Table 11.2 Affordable housing targets	
District	Adopted Plan
Ipswich	25% on previously developed land and 30% on greenfield sites although within the Waterfront area the requirement is for 15% on-site and 10% off site
Babergh	Up to 35% affordable housing on sites of 15 units or more or 0.5 ha or larger and 1 in 3 units on sites in settlements with a population of 3000 or less
Mid Suffolk	35% affordable housing on all sites of 15 or more dwellings/0.5 ha and above in Stowmarket and Needham Market and on sites of 5 dwellings /0.17 ha. and above elsewhere throughout the District
Suffolk Coastal	For developments of six or more new housing units in towns and three or more new units in villages one in three units should be affordable (i.e. sites within a defined physical limits boundary)

Source: Information provided by individual Councils

11.34 The position is reviewed in more detail in the next section of this chapter.

Position of the four districts on affordable housing

Ipswich

11.35 According to Ipswich’s ‘Affordable Housing Provision Position Statement’ (November 2006), the Council’s current practice requires affordable housing to be provided on sites of 0.5 hectares or more, or 15 units or more.

11.36 The amount of affordable housing to be provided is 25% on previously developed land and 30% on greenfield sites. The presumption is for on-site provision. This may be varied subject to the requirements set out in section 4 of the Position Statement.

11.37 Within the Waterfront area the requirement is for 15% on-site and 10% off site. Commuted sums in lieu of off-site provision will only be accepted in exceptional circumstances and where the developer has satisfactorily demonstrated that it was not possible to achieve direct provision within the required timeframe. Commuted sums will include an element for the costs of developing a scheme.

Babergh

- 11.38 According to a report written by Babergh's Head of the Built and Natural Environment (October 2007), affordable housing in the areas is being delivered at an increasing rate but it is a time consuming and demanding process. It states that it is worth considering for the future the possibility of allocating affordable housing sites, the possible use of compulsory purchase powers and further clarification of the one in three policy (HS09) for smaller settlements as developers are splitting sites to avoid having to make any affordable housing contribution. An internal interim planning guidance note has been prepared for Development Control officers, which seeks to clarify the operation of the affordable housing policies; this is a prelude to a full Supplementary Planning Document.
- 11.39 Furthermore, the Council will use the current Strategic Housing Market Assessment of 2008 to help inform this process and to give guidance on whether they should be seeking up to 40% affordable housing in future policies. There is considered to be sufficient need to justify this and there is currently a need across the district for 35% affordable housing in every settlement. In certain villages despite a proven need it has been difficult to find a site which is suitable and which the land owners are prepared to sell.

Mid Suffolk

- 11.40 According to Mid Suffolk's LDF Core Strategy/Policies (Housing), affordable housing is a key issue and the Local Plan Alteration for affordable housing policies can now be adopted following receipt of the Inspector's Report. Further work on housing needs and housing market assessments will be required as part of the LDF process. It is hoped that this will provide evidence to justify further improvements to policies for affordable housing.
- 11.41 New policies H4 and H5 included in Local Plan Alteration 2006 provide an opportunity to make further improvements in the LDF if justified by evidence from updated housing needs/housing market assessments. Policy H4 now provides for up to 35% affordable housing on all sites of 15 or more dwellings/0.5 ha and above in Stowmarket and Needham Market and on sites of five dwellings /0.17 ha and above elsewhere throughout the District. In addition to policy H5, Affordable Housing on Rural Exception Sites allows for LDF policy to allocate rural exception sites in small rural communities (in Mid Suffolk all parishes other than Stowmarket and Needham Market).

Suffolk Coastal

- 11.42 Suffolk Coastal's current affordable housing policy was adopted in March 2006 and introduced much more stringent site size thresholds in an effort to increase the number of new affordable units provided. (Developments providing an additional three units in villages and an additional six units in towns). The presumption is for on-site provision. The full impact of this policy has still to be realised as a number of then outstanding planning permissions on larger housing sites where most new units could be expected to be provided are still being built out. Affordable housing provision was not always a requirement of these older schemes.
- 11.43 A significant number of new units are also being provided in the more rural areas on rural "exceptions" sites.
- 11.44 Site requirements are based on information from the 2006/7 Suffolk Coastal Local Housing Assessment and individual parish surveys.
- 11.45 The provision of affordable housing remains a key issue in the new Core Strategy. In particular the 2006 policy approach is being looked at to see what changes if any could or should be made to increase actual provision "on the ground".

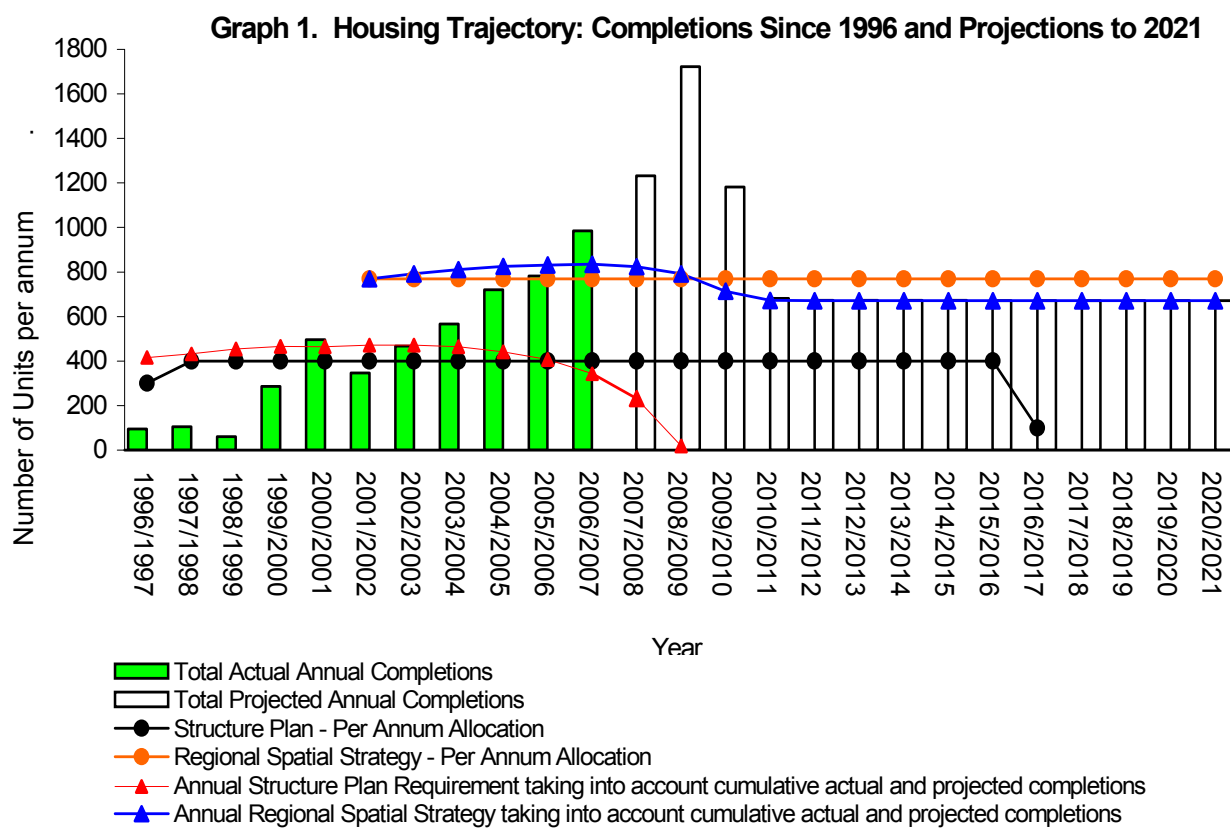
Position on Market housing

- 11.46 As a first step the results of the Annual Monitoring reports will be reviewed. These provide the current and prospective levels of newbuild. The following data comes from the latest Annual Monitoring Reports. Please note that the five year housing land supply figures are based on adopted plans i.e. Structure Plans although these will be superseded by the RSS which was adopted in May 2008.

Ipswich

- 11.47 Ipswich's Annual Monitoring Report 2006/07 provides projections for future housing up to 2021 (Indicator 2a (iii), (iv) and (v)). As well as identifying annual completions since 1996. The figure below sets out a projection of estimated annual housing delivery (net additional dwellings) in the period up to 2021. According to the report, this demonstrates that: it is anticipated that the Structure Plan overall target will be reached around 2008/2009 (i.e. about seven years earlier than set out in the Structure Plan); that in the context of the Regional Spatial Strategy (2008) target of 830 per annum, it is anticipated that it will take longer to reach the target but a trajectory is shown that achieves this. This trajectory is comparable with completion rates during 2004/5 and 2006/07.

Figure 11.1 Ipswich housing trajectory to 2021



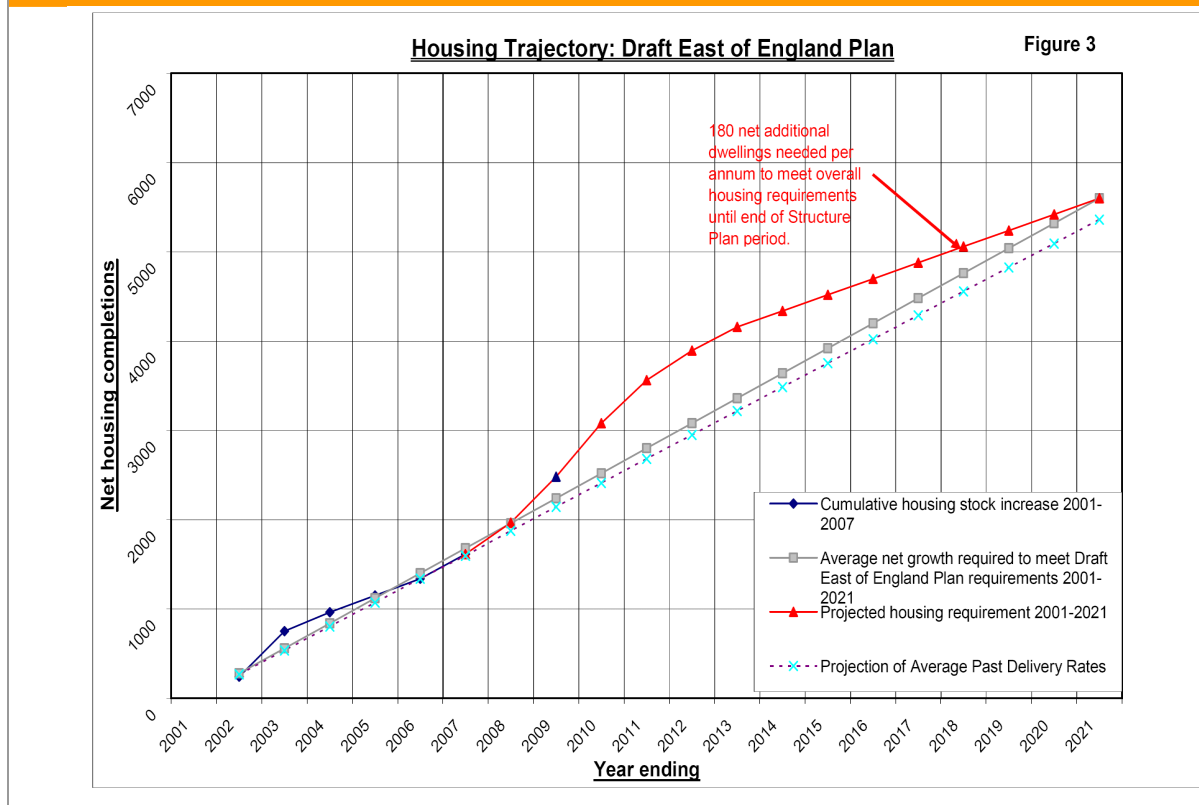
Source: Ipswich Annual Monitoring Report 2006/07

Babergh

11.48 Babergh’s Annual Monitoring Report 2006/07 examines the anticipated housing requirements (5,600 in total) of the new RSS: the East of England Plan covering 2001 – 2016. It also takes account of the adoption of the new Local Plan (Alteration No. 2) in 2006. The allocations in this are expected to provide around a further 1,850 – 2,000 dwellings. The report states that very few second Alteration Plan allocated sites have been developed (although Bures Rd, Gt Cornard has commenced), since its first draft stage in 2001. A few sites allocated in that draft document were developed contributing a limited number of dwellings but these were taken into account in the development strategy for the final adopted Plan.

11.49 Further, it states that the new Local Plan allocates sufficient sites to meet known Development Plan targets, with some additions that the Local Plan Inquiry Inspector considered necessary to meet these targets with a good degree of certainty. It identifies well in excess of a five year housing land supply. Following discussions with the developers and house builders it is considered that Babergh has a supply of housing land which complies with the requirements of PPS3. Having been through the Local Plan process it is considered that the sites identified by the Council are available, suitable and achievable given the annual housing completion requirements of the RSS (280pa).

Figure 11.2 Babergh housing trajectory to 2025



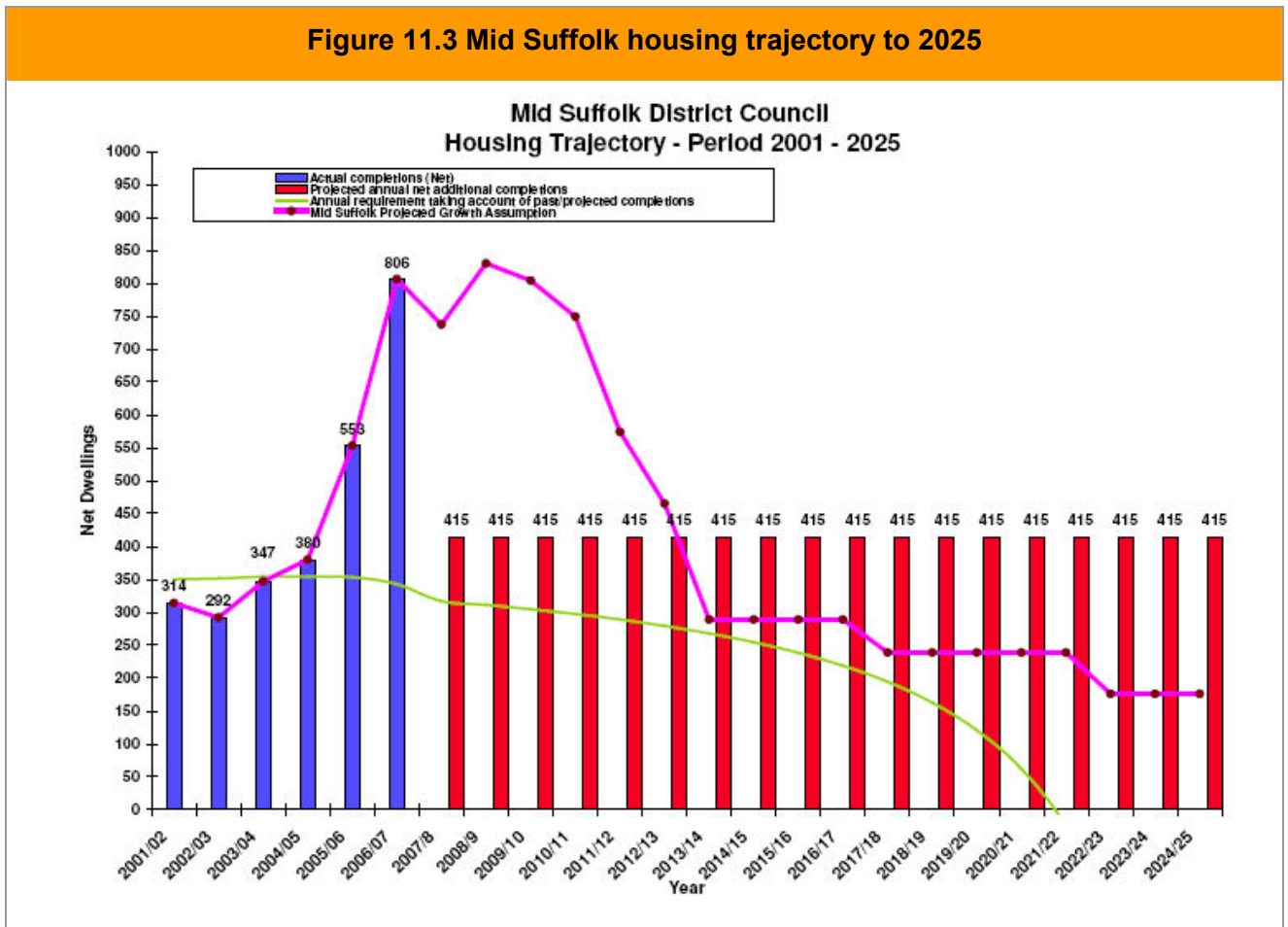
Source: Babergh Annual Monitoring Report 2006/07

Mid Suffolk

11.50 Mid Suffolk’s Annual Monitoring Report 2007 states that to meet the 15 year requirement set by PPS3 requiring a 15 year housing supply from the adoption of the core strategy, 9,960 net dwellings are necessary to meet the requirement by 2025 taking into account the adoption of the Core Strategy in 2009.

11.51 It states that the council’s housing trajectory shows that the total provision of additional dwellings in Mid Suffolk has fluctuated considerably. The cumulative completions increase compared to the annual net additional allocations is slightly less each year, with the exception of 2000/01, resulting in a cumulative shortfall of 190.

Figure 11.3 Mid Suffolk housing trajectory to 2025



Source: Mid Suffolk Annual Monitoring Report 2007: p.27

Suffolk Coastal

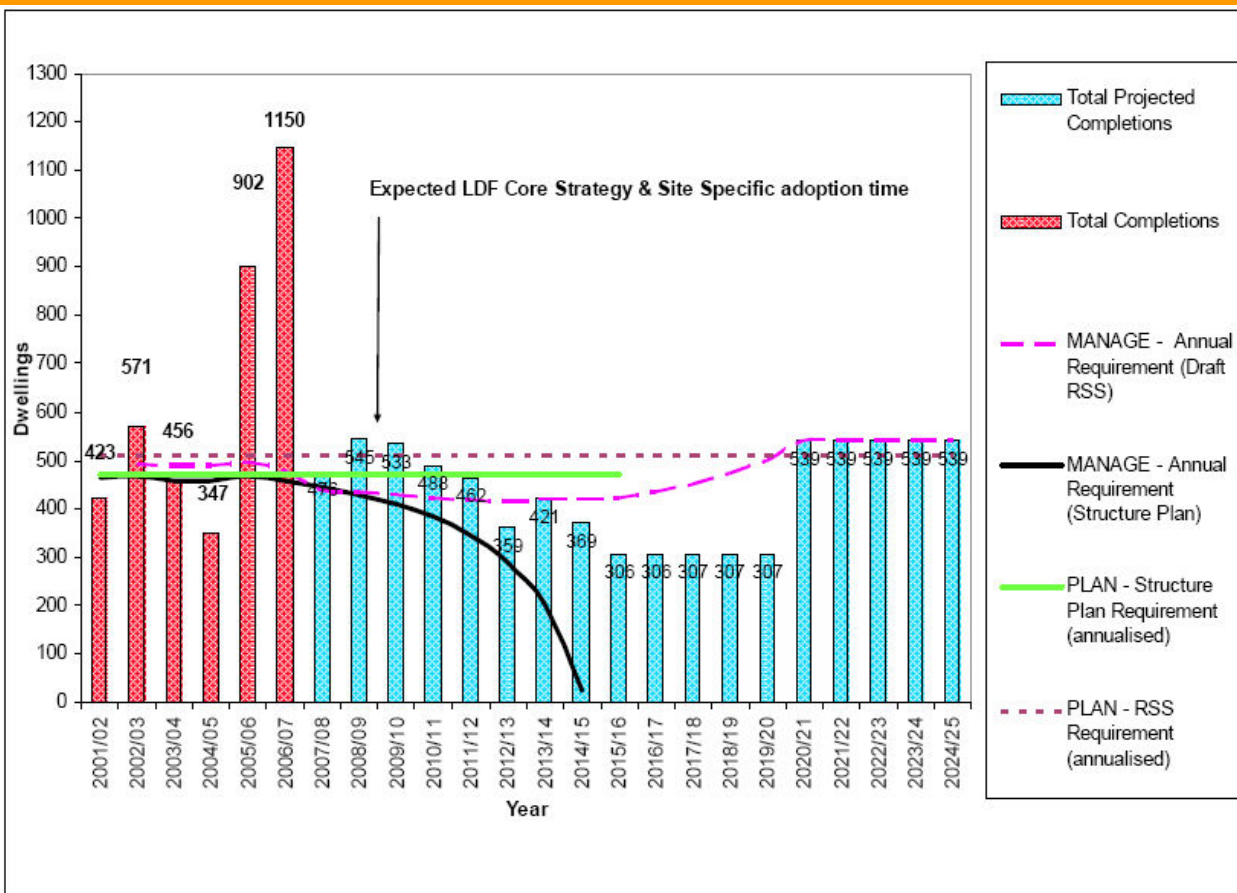
11.52 Suffolk Coastal's housing trajectory is shown below and is based on the RSS housing requirement projected forward to 2025. The trajectory is based on a number of assumptions:

- No windfall completions have been assumed until the final five years of the Plan (in accordance with PPS3 – Housing). A five year average has then been applied for each of the final five years based upon historic trends
- Projected sites and those with extant planning permissions have been split on a 60/40 ratio between large/small sites, based upon historical patterns
- A desk top update of the 2007 Urban Capacity Study
- Outstanding planning permissions at 31/3/08 will be built out within five years where work has already commenced on site; but within seven years where work has yet to start, based on discussions with developers
- Large sites and expected completion times were clarified with developers/agents
- Outstanding Local Plan allocations have been assumed for development and phased where appropriate

- For the period beyond 2021, housing supply is assumed to be above the RSS requirement of 510 dwellings per year
- Outstanding planning permissions which are subject to flood risk exposure but have not yet been started have been discounted

11.53 The trajectory shows that the District will be under pressure to release new housing allocations (most likely greenfield sites) immediately on adoption of the Core Strategy and Site Specific Allocations DPDs to ensure a continuing supply of housing land beyond 2010/11. The LDF is insufficiently progressed at present to indicate where these first round of site releases will occur or how the development of sites will be phased over time.

Figure 11.4 Suffolk Coastal housing trajectory to 2025



Source: Suffolk Coastal Annual Monitoring Report 2007 p.20

11.54 When these figures are related to the target figures (i.e. Table 3.1) it can be seen that all four districts are likely to meet their RSS targets. However, there is pressure on Ipswich to maintain its recent increase in the supply of housing over the next 15 years.

Identified issues relating to planning and delivery of new housing

- 11.55 This section combines the above information with a discussion of issues raised by stakeholders. Its aim is to discuss the factors influencing the question of what the new housing should consist of in terms of size and tenure.
- 11.56 Stakeholders are unanimous about the importance of moving on from delivering apartments. They all point toward unmet demand for smaller family homes.
- 11.57 Developers stress that new development must be market led and that development proposals must be sensitive to the nature of the site.
- 11.58 There is also a growing realisation that it is very difficult to use new housing strategically i.e. to ensure in the long-term that there is a balance between housing demand and supply. It is simply out of reach for most households due to its cost (see housing gaps graph Table 13.1).
- 11.59 Information contained in the Strategic Housing Market Assessment does however provide a very important context against which some new housing might be planned, approved and built provided always that sites and locations are considered suitable:
- Incomers tend to be wealthier than existing residents
 - Some incomers are at or near retirement
 - Most incomers are from Essex and London
 - The population projections show considerable increases in the proportion of older people over the next 20 years
 - Some communities can be very isolated due to poor road links and are not so exposed to incomers
- 11.60 However with larger sites, for example, The Creetings, stakeholders are clear that a diversity of housing in terms of size, tenure and quality needs to be built in order that demand will continue once it is complete.
- 11.61 Developers and stakeholders have both emphasised the implications of investors buying too high a proportion of a given development.

Viability report

- 11.62 Fordham Research was also commissioned by the four Councils to produce guidance on the financial viability implications of alternative targets and size thresholds for affordable housing provision within the combined area.

- 11.63 This work is part of the wider Strategic Housing Market Assessment for the study area which is being carried out in parallel to develop an understanding of local housing markets in this sub-region, to build a picture of housing needs and requirements, and to suggest appropriate targets for housing provision based on this analysis. The SHMA will provide input into ongoing work on preparation of Local Development Frameworks for each of the Districts.
- 11.64 The viability studies will ensure that advice on targets in the main SHMA is supported by rigorous analysis showing that the targets can be achieved without undermining site viability and imperilling the delivery of housing overall.
- 11.65 It was decided at an early stage that the study should consider a combination of actual, and notional, sites in order to provide useful guidance across the Housing Market Area. In discussion with the partner Councils, it was decided that a total of 24 sites would be required, comprising two actual sites, and four notional sites, per District.
- 11.66 The eight 'actual' sites were identified in discussion from a larger initial shortlist. They covered a mixture of settlement sizes, although the majority were in the larger settlements. The sites ranged in size from three to 300+ dwellings. One site involved a mixture of residential and commercial uses.
- 11.67 The four 'notional' sites were next chosen so as to complement the actual sites. They were based upon, and generalised, from a number of actual sites, each specific to one or more individual Districts. The emphasis was on small to medium sized brownfield sites. One of the four sites was to involve a combination of conversion and newbuild. Appropriate locations for each of the four were chosen for each District.
- 11.68 The 'actual' sites were at various stages in the planning process. Four, half of the total, had received planning permission and proceeded to construction stage, one of which has completed. Two sites have been subject to application and two are proposed allocations only, subject to ongoing work in the emerging LDF.
- 11.69 Information available from the various planning applications was acknowledged in considering the appropriate development forms to use in our appraisals. However we also took into account other recent schemes currently being developed, in formulating development assumptions.
- 11.70 Following discussions with the Councils it was agreed to test the following options:
- **NO** affordable housing
 - 25% affordable
 - 30% affordable
 - 35% affordable
 - 40% affordable

11.71 The four Councils currently operate policies seeking affordable housing proportions all lying between 25/30% (Ipswich) and 35% (Babergh & Mid Suffolk). However higher proportions might be proposed in emerging Local Development Framework Documents, in part as a result of the Strategic Housing Market Assessment of which the present study forms a part.

11.72 Appraisals for each site were produced in respect of all of the affordable options. They used a bespoke spreadsheet based financial analysis package. The approach was to determine the residual land value, i.e. what value the site would have after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developer's profit. In order for the proposed development to be viable, the residual value must exceed the value from a valid alternative use.

11.73 The draft viability is currently under consultation on the study area council websites and is expected to be published early 2009. The main findings deriving from the draft report are:

- The appraisals showed that with no requirement for affordable housing, the housing-only sites delivered land values between about £200k and £850k per acre (£500k-£2.1m per ha) with the mixed development delivering a higher value.
- As increasing amounts of affordable housing are introduced, the land value falls away. The majority of sites still achieved a positive land value with the highest requirement of 40% affordable housing.
- Rather surprisingly, the results showed that two sites were unviable even with 100% market housing. Of the remaining 22 sites, 16 could produce 25% affordable housing and remain viable, plus one which was classed as marginal because the surplus over alternative use value was felt to be insufficient. At 30% two additional sites became unviable, and one marginal. By 35%, 14 sites remained viable, and at 40% 11 are viable plus one marginal.
- Sites in rural areas and in some smaller towns did better, reflecting higher prices, whilst sites with higher alternative use values (such as in Ipswich) did worse. Schemes of apartment blocks did less well, because the potential subsidy from land value was proportionately much smaller on higher density schemes
- As the study proceeded it became increasingly clear that a significant housing market downturn was under way. This suggested that viability had already begun to deteriorate and might well deteriorate further, as prices fell but costs continued to rise. We demonstrated the impact of possible price and cost future changes on the appraisal results, and suggested that an appropriate policy response was needed to deal with the unfolding viability situation.

Summary

- In terms of affordable housing the present picture is that Ipswich proposes 25% on Brownfield sites and 30% on Greenfield sites, Babergh and Mid Suffolk up to 35% and for sites in Suffolk Coastal one in three units for villages and one in six units for towns. Since most new development is in the Ipswich Policy Area, it is likely to yield most affordable housing. Nonetheless, a significant number of new affordable units are being provided on rural exception sites. These are an important source of affordable in Babergh, Mid Suffolk and Suffolk Coastal i.e. those parts of the study area which are predominately rural in character.
- The forthcoming viability report will further examine the viability of different levels of affordable housing provision.
- On the market housing side, the trajectories show that all Councils are likely to meet RSS targets. However, Ipswich will need to maintain recent increases in supply. It is not clear from Babergh's trajectory the extent to which previous supply targets have been met. However, it is likely that both Mid Suffolk and Suffolk Coastal will meet supply targets although as Mid Suffolk states, the Council's housing trajectory shows that the total provision of additional dwellings in the area has fluctuated considerably.
- Chapter 9 of this report provides an analysis of the extent of housing need in the study area and for each of its local authorities.

12. Major themes, drivers and challenges

The purpose of this chapter is to:

- Identify the main themes that emerge from the evidence
- Discuss the drivers of future change
- Comment on the main challenges faced by the districts

Introduction

12.1 This chapter attempts to bring together the key issues which will inform future housing and planning policy. The approach is to use a few of the key tables from previous chapters as a structure within which to summarise the key themes.

Strategic perspective: Housing Market Areas (HMAs)

12.2 This is an SHMA, and so the first issue is the integrity of the study area. The Greater Haven Gateway Housing Sub-Region was defined in 2003 and includes eight districts, including the four in the present study area. The four districts of Babergh, Ipswich, Mid-Suffolk and Suffolk Coastal form a coherent group within that sub-market as much of their mutual interaction in the form of home moves and commuting occurs within the study area set of councils.

12.3 Although not a formal housing market area i.e. it is part of the wider Greater Haven Gateway Housing Sub-Region (EERA, 2006) , there is a coherent logic to the study area within the wider Greater Haven Gateway: it shows a high level of self-containment, particularly as regards commuting, where the study area has about 90% self-containment.

Key themes from previous chapters

12.4 Using key tables and diagrams the following briefly evokes the character of the housing market in the study area.

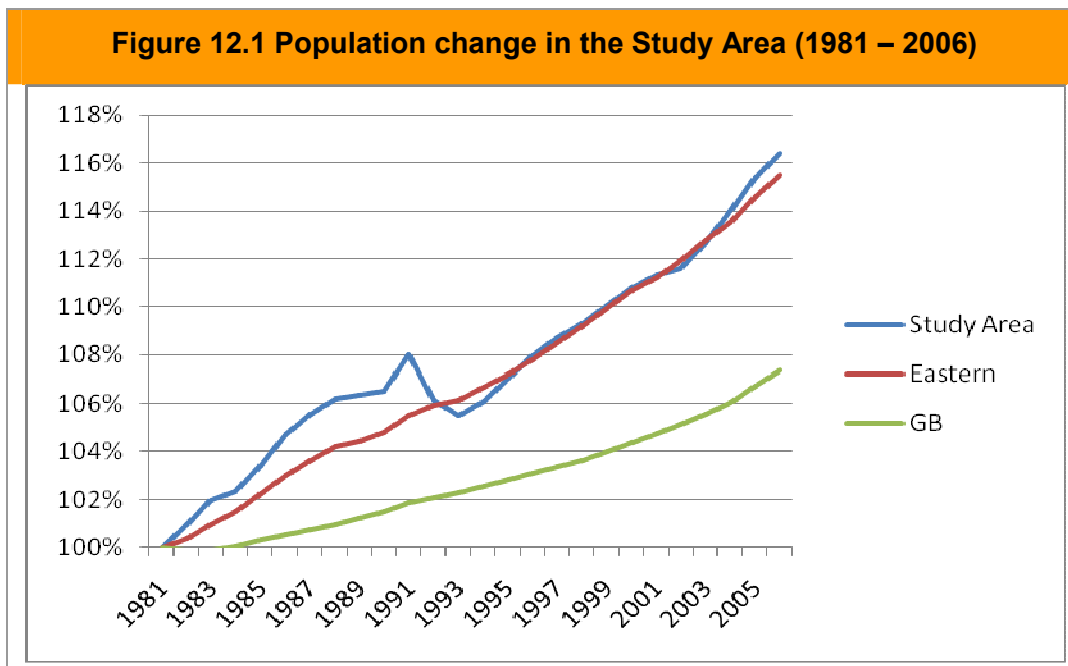
12.5 The Ipswich study area is relatively buoyant, like the East of England which contains it. Its character varies quite strongly between the main urban area of Ipswich and the three more rural districts which surround it.

12.6 Although not obvious from the total household population and employee location, it is clear from the final column of the table below that Ipswich is the main focus for employment; (better paid) workers located in the rural hinterland commute into jobs there.

Table 12.1 Households and employment			
District	Proportion of households	All resident full and part time employees	Percentage of total jobs in each district
Ipswich	29.2%	57,100	36.5%
Babergh	20.2%	40,500	17.8%
Mid Suffolk	21.3%	40,300	19.1%
Suffolk Coastal	29.2%	53,700	26.6%
Study area total	178,000	191,600	100.0%

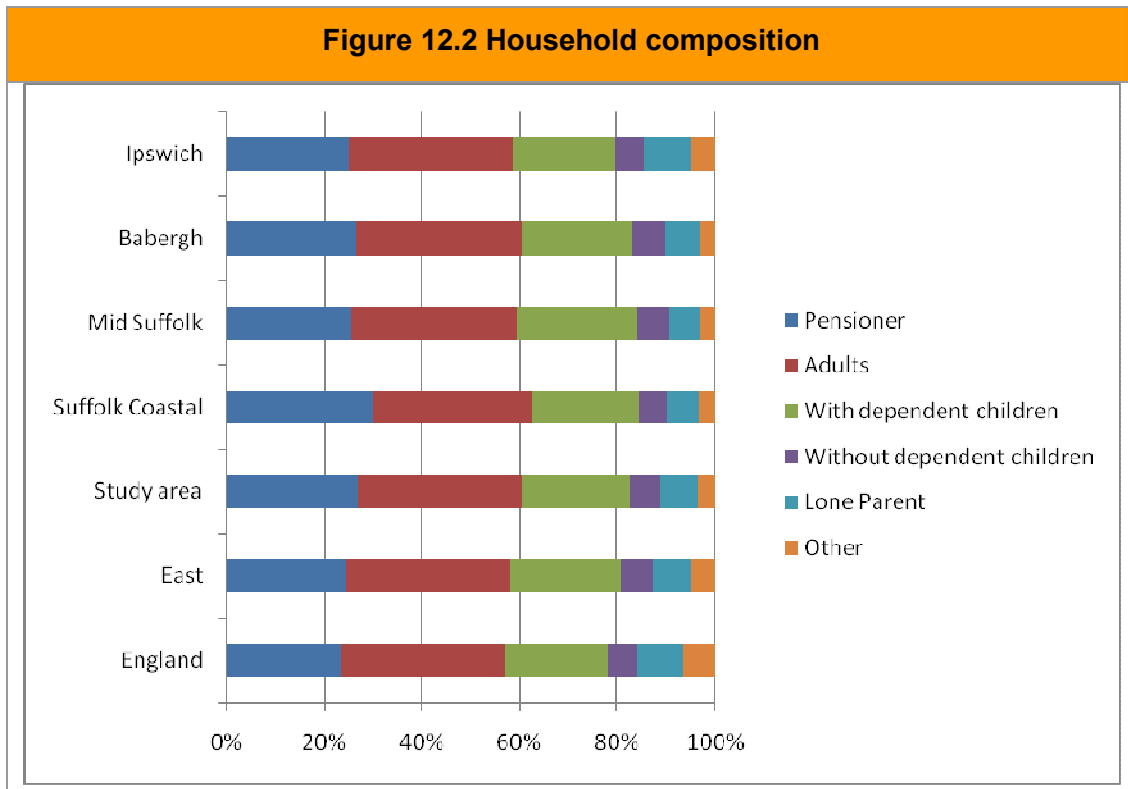
Source: Tables 5.1, 5.6 and 5.7 above

12.7 It is clear that the study area has grown faster than the national and regional average (except in the aftermath of the 1990 house price crash).



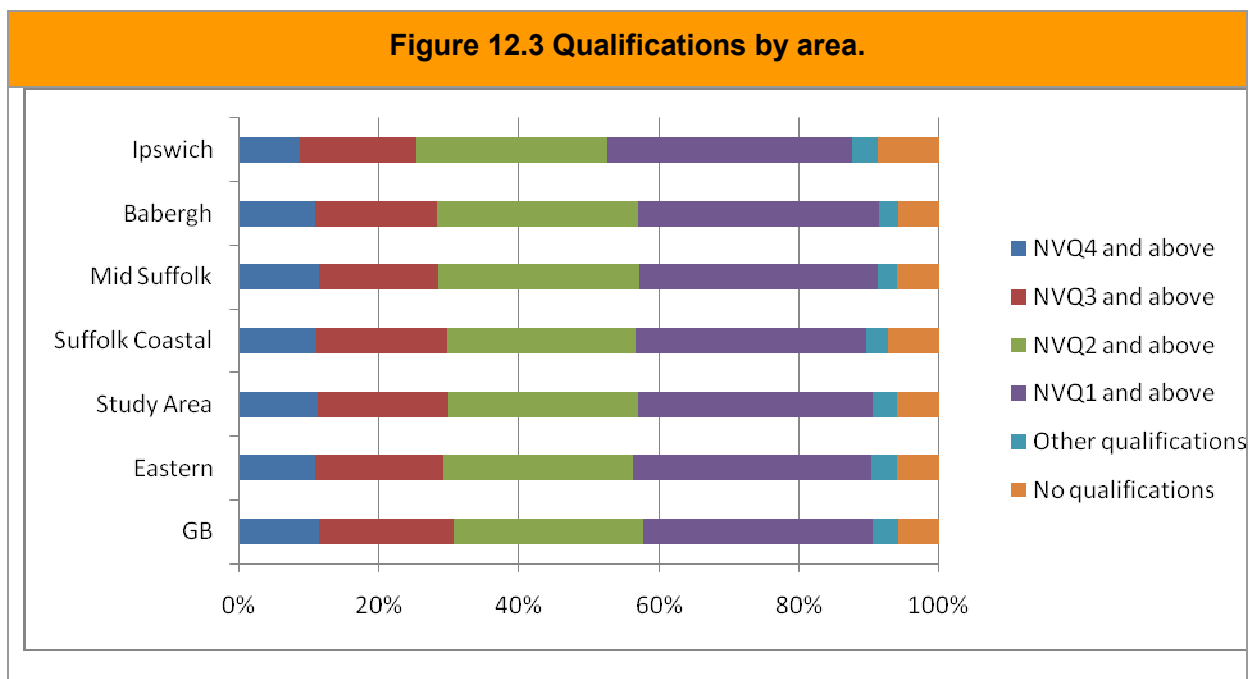
Source: Figure 4.1 above

12.8 Types of household are similar to the national and regional pattern except in the retirement location of Suffolk Coastal.



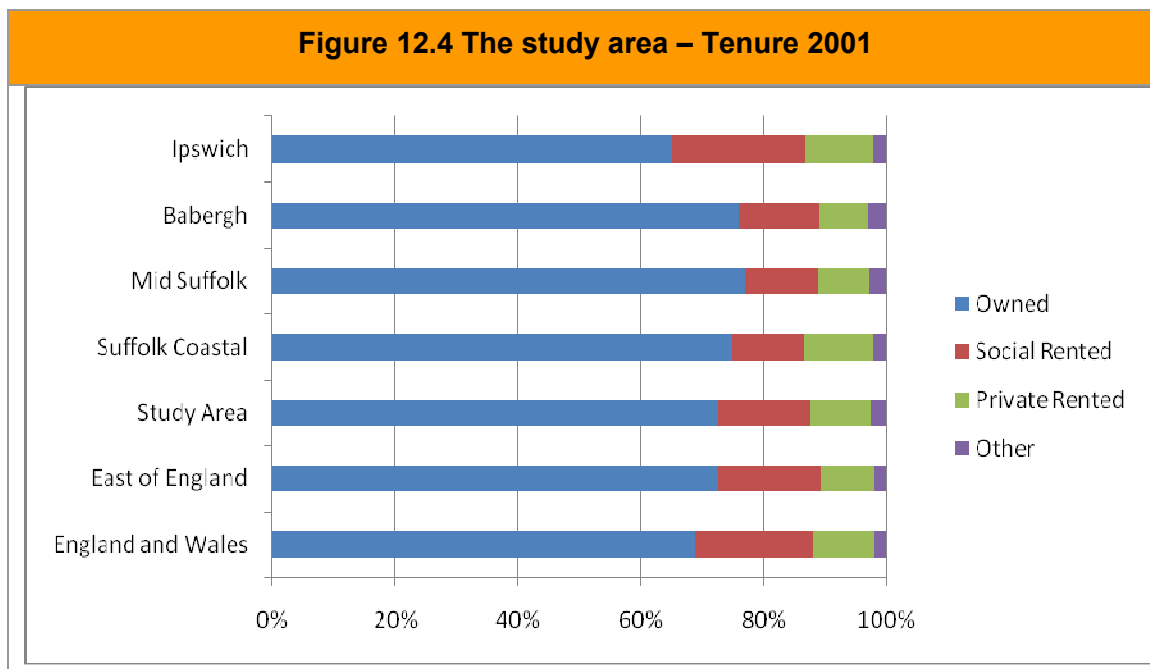
Source: Figure 5.5 above

12.9 The area has good average levels of qualification except for Ipswich itself, which has a distinctly lower profile.



Source: Figure 5.16 above

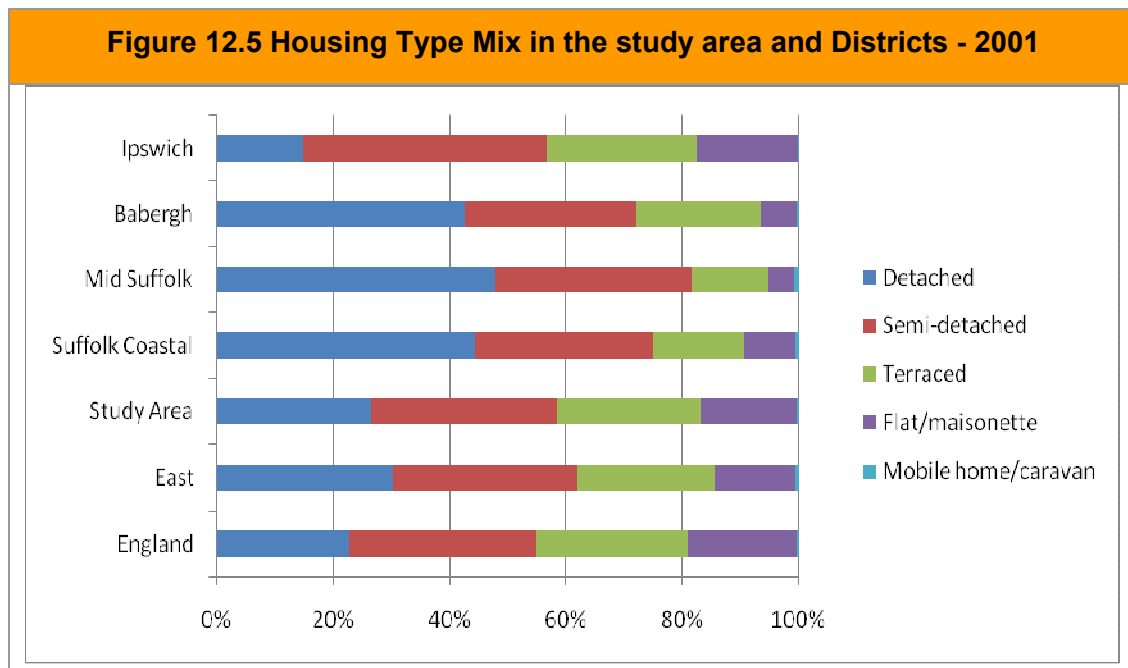
12.10 The lower profile of Ipswich town carries through into property prices and types. As can be seen, Ipswich is the only one of the four districts with a more substantial social rented sector, and the only one which is below (albeit only slightly) the national proportion of owner-occupation. The same profile is true for prices: the average is just below the national level for house prices, with Ipswich town itself as the lower priced area which brings the average down.



Source: Figure 6.1 above

12.11 The ratio of house prices and market rents to median earnings does not usefully show affordability, but it does indicate something about the housing market character. In the study area the ratio of median earnings to market rents is about 0.26, which means that entry to the private rented sector is relatively affordable. Entry to purchase shows a much worse ratio: near to six times earnings to buy, as compared with about five times at the national level. This shows that although prices are not above the national level, median earnings are below the national average. A fuller picture of true affordability requires analysis of financial capacity (income+savings+owned equity) which is not feasible within the present study.

12.12 The difference between Ipswich and the rest of the study area is reinforced when looking at dwelling type: the more expensive detached category dominates the three more rural districts, but is much lower than the national average in Ipswich. Correspondingly Ipswich has more semi-detached and terraced property than the national or regional averages.



12.13 Thus the themes which emerge from this short review are that the overall study area is buoyant, and Ipswich itself is the main focus of jobs for the area, but at the same time the town has a lower profile in terms of skills and housing stock, which stands in sharp contrast to the surrounding more rural districts of the study area.

Policy themes for specific groups

12.14 This addresses the coverage of specific groups in Chapter 10 above. The policy implications arising for the groups in question are in fact very well addressed in the Councils' individual housing strategies and in the Suffolk Community Strategy, and so there is really nothing new that can be suggested: the policy framework as it stands appears to be a very good one.

12.15 As a result this brief review of the main groups covered does not provide any major suggestions as to new policy themes: they are already in the sources just mentioned. The following are short specific comments on the main groups.

Black and Minority Ethnic households

- 12.16 This is a very disparate policy area. At one end of the spectrum there are professional workers engaged in the knowledge based industries or the health services who are able to afford market housing. At the other end of the spectrum there are distinct groups who are disadvantaged in terms of income, employment and housing. There is also the impact of migrant workers. Our work with stakeholders has highlighted all three groups.
- 12.17 As noted in Chapter 3, discussions held with representatives of Black and Minority Ethnic groups (BME) suggested that the main problem experienced by these groups, which are almost exclusively found within the town of Ipswich itself, are concerned with the private rented market. That is partly because those who do not have full citizenship are restricted to that tenure. They have sometimes experienced difficulties due mainly to language. It was suggested that simple pamphlets explaining procedures and the rights of different groups would be a valuable aid towards resolving any problems.
- 12.18 Generally, although this policy area is an important focus for the Councils and their partners we have not identified any gaps in service delivery or planning that is not being addressed. Further, we believe that this Strategic Housing Market Assessment report will be an important reference point to assist future policy development.
- 12.19 However, data derived from the 2001 Census suggests that BME households are more likely than non-BME households to contain dependent children, to experience overcrowding and to rely on private and social rented accommodation. As such, it is likely that larger properties within the social rented sector may be required to accommodate Ipswich's growing BME population.
- 12.20 Of course, although councils may have some influence on ensuring that BME groups have sufficient and appropriate housing within the social rented sector, ensuring that this occurs within the owner-occupied or private rented sectors is much more difficult. One response is to ensure that all BME strategies or BME components of housing strategies are fully implemented.

Gypsies and Travellers

- 12.21 The 2007 Suffolk Cross Boundary Gypsy and Traveller Accommodation Assessment (GTAA) suggests that there is a net need for 73-79 new residential pitches in the study area by 2011. The GTAA also found a need for transit provision, but recommended that the need for permanent residential pitches should be addressed first. The RSS Single Issue Review, however, recommended a higher figure of 103 new residential pitches in the study area by 2011. The Single Review Examination in Public is scheduled to be completed by October 2009. As noted in section 10.100 above, Suffolk Coastal attracts a relatively large number of travellers. As such, the council is holding meetings with traveller groups to look at providing sites to meet an identified immediate need.

12.22 Also, the East of England Regional Assembly (EERA) set up a Steering Group to guide the RSS Single Issue Review of the provision of Gypsy and Traveller Caravan Sites. This group consists of representatives from the Gypsy and Traveller Communities, Local Authority Officers, East of England Development Agency, the Government Office, the Regional Housing Delivery Group and EERA. The report is being considered by an independent inspector through the Examination in Public mechanism in October 2008.

Key worker households

12.23 The challenges faced by key workers compared to other housing markets are not overwhelming. We have consulted quite widely with different key worker organisations. The group we would highlight for policy consideration, not surprisingly, is the young, newly qualified key worker. These people face the challenges of re-location, starting a new job and finding affordable housing all at the same time. According to some RSL employees (see Chapter 3 for further details), the Key Worker Living (KWL) scheme is discouraging, rather than encouraging, shared ownership amongst key workers. This is mainly because of the condition that properties bought under the KWL scheme can only be sold to key workers, a condition which severely limits the potential for households to move on. We believe that the Councils should consider both issues. Also, it is important to note that there may be a proportion of key workers who reside outside of the study area and commute into it. This suggests: first, that some key workers may be residing outside the study area due to its relative lack of affordability; and second, that any future provision of affordable housing for key workers should take their needs into account.

Older persons

12.24 Many factors combine to make this area one of the key challenges facing policy makers. We summarise these drawing on both our qualitative and quantitative work in our policy implication section.

- Population trends will exacerbate imbalances in communities. This has been identified as an important factor by stakeholders and is supported by the data
- The oldest people tend to live alone which means that they have more support needs than two person households. Service providers will have to plan for this
- Older households if owner-occupiers may be asset rich and cash poor. They are particularly vulnerable to cold, falls and trips. Age and resources combine to expose older person households to spiralling difficulties; disrepair and poor and expensive heating.
- Under-occupation might be more easily addressed in social housing than privately owned housing.
- The benefits of older people being suitably housed in property in good repair are wider than for housing services. They impact on health and social care services, and on informal carers as well as households seeking to move into a family home

- There appears to be a shortage of extra care housing suitable for older households to move into especially for owner-occupiers who may find it difficult to access social housing.

Families with dependent children

12.25 Clearly the growth of the ageing population and reduction of key adult groups implies that relatively fewer households with children will exist in the future. Stakeholders were keen to point out that some small towns were experiencing a reduction of households with children. This is partly to do with the interest in the area shown by retiring households and partly to do with house prices. Demographic trends reflect this.

12.26 The cheaper house prices found in Ipswich means that families with children will be more evident there. It is difficult to see how public policy can arrest or reverse this situation. Where large scale new house building is envisaged, planners can ensure that there is a mix of dwelling types and price ranges to ensure that this group is not excluded. For example shifting the balance from apartments to small family homes with shops and services nearby.

Migrant workers

12.27 Councils will need to closely monitor the impact on services and the housing market. In other study areas we have seen direct competition between migrant workers and student households for shared housing and that entrepreneurs are keen to respond. We have also seen councils develop planning policies to restrict the conversion of larger family houses.

Students

12.28 University Campus Suffolk (UCS), the organisation which embodies the new university at Ipswich is planning to expand its waterside campus including the provision of around 3,000 student accommodation spaces by 2010/11 housing around half of all students.

12.29 However, UCS will continue to work with the private rented sector to deliver the additional housing that will be required. As noted in Chapter 3, estate agents reported that student housing did not have a significant impact on the market at present. They felt most students would live in cheaper areas to the east of the town centre, close to the college and docks and that their presence did not make these areas less desirable. At present student housing is dispersed across Ipswich.

12.30 However, we have already observed investor activity with regard to students. Ipswich Borough Council will need to monitor the impact of studentification in future and ensure that a forum is established to address short and long-term issues with UCS.

Step 3.4.1: Mapping market characteristics: Future growth

- 12.31 The most important aspect of mapping housing market characteristics is set out in Chapter 14, where the policy tools for future action are set out.
- 12.32 The area, including the wider Haven Gateway, have been given New Growth Point status, which means that they will receive various forms of infrastructure funding. One of the aspects most important to the study area is the new University Suffolk Campus in Ipswich for which funding will be provided. This will help to re-balance the population and housing mix of Ipswich town, which as can be seen from the sub-section above, has a lower market profile than the rest of the study area. The New Growth Point funding will help to rectify that balance.
- 12.33 The forecast population growth for the study area is 7.2% over the next 15 years: well above the national average. The BME population of the study area is well below the national average (about 12%, of which 3% is 'white other'). The three more rural districts have about a 1% BME population, but Ipswich itself shows a profile quite similar to the national one: about 7% BME. This population is forecast to rise much more quickly than the White population.
- 12.34 The corresponding jobs forecast is also well above the national rate of growth: about 36,000 new jobs for the period 2001 to 2021 (about a 27% growth using full time jobs as the basis of comparison). The nature of the jobs is expected to change, in conformity to the national pattern i.e. fewer industrial and manufacturing jobs and more service jobs.
- 12.35 The relative isolation of many of the smaller towns, which could be seen as a disadvantage in some ways, has become an advantage in others. The overall national trend towards an older age profile, found also in the study area, means that these towns are very attractive as retirement locations and so their value is enhanced in a situation where the proportion of older people is rising (see Figure 12.6).

Management issues in housing: the affordability problem

- 12.36 This issue is not as central as it is in the higher priced parts of England. The study area is not cheap, but is not as expensive as many parts of the south. There is an excluded fraction of the population in terms of renters who are not within any feasible distance of becoming owners. However private rent is relatively affordable in the study area, and so access to the market, the main test of affordability in Government Guidance, is not a major problem.
- 12.37 There exists, however, a major housing needs problem across the entire study area. The level of housing need is not far short of the entire housing allocation:

Table 12.2 Annual housing provision compared to requirement for affordable housing

Area	Annual housing provision 2001 to 2021*	Annual net need for affordable housing	Implied proportion of dwellings that should be affordable
Ipswich	770	708	91.9%
Babergh	280	319	113.9%
Mid Suffolk	415	339	81.7%
Suffolk Coastal	510	211	41.4%
Study area	1,000	1,577	157.7%

Source: Table 9.18 above

12.38 About a fifth of the housing need could in principle be met by intermediate housing (priced between a social rent and a market rent). The size requirement for meeting the housing need is predominantly one to two-bed dwellings, although it extends across the range, as can be seen below. It should also be noted that Mid Suffolk is unusual in having a greater requirement for larger affordable units.

Table 12.3 Size of affordable accommodation required by households in need

Bedrooms required	Ipswich	Babergh	Mid Suffolk*	Suffolk Coastal	Study area
1	46.1%	31.6%	7.5%	43.8%	32.3%
2	30.3%	45.8%	20.0%	29.5%	31.4%
3	18.4%	18.7%	43.8%	19.3%	25.1%
4+	5.1%	3.9%	28.7%	7.4%	11.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Table 9.20 above

Step 3.4.2 Trends and drivers

12.39 The term ‘drivers’ is the conventional one, but is rather too strong in its implication as the process is not a mechanical one in which some dynamic force impels forward movement. It is a much more subtle and multi-layered set of influences which are at play.

12.40 With that caveat, the main forces involved are:

- i) **Growth of employment and housing.** The general momentum of growth in the Haven Gateway is noted by the EiP panel (and discussed under Step 4.2 above) as having been pronounced for the past several decades, and likely to continue. This is itself driven by the very nature of the Gateway: growth impulses from in-migration and trading. The growth of employment will, as in the rest of the country, tend to be focussed on service jobs, as manufacturing ones continue to decline. Further employment opportunities are likely to be created by the growth of the transport and logistics industry (related to the Haven Gateway ports), and in ICT (such as Adastral Park in Mid Suffolk) (both the ports and ICT park are recognised by the RSS as strategic employment sites).
- ii) **New Growth Point.** This has been encouraged by the policy of growth applied to the whole Gateway but particularly focussed upon Ipswich itself, with a view to re-orientating its social structure towards higher levels of qualification and income and making the overall study area more competitive in future markets. The New Growth Point funding will help to emphasise this positive trend.
- iii) **Ageing population.** The growth of older people is a national trend, but very marked in the study area as elsewhere. Its implications are somewhat different here, due to the large number of rural and smaller towns which have relatively poor communications and are therefore ideally suited to being focuses for retirement, for those with the financial capacity to access it. Thus an apparent disadvantage is becoming a positive force in the context of the study area. As in most parts of the country, the older population is concentrated in the owner-occupied sector without mortgage and social rented sectors. As the figure below shows, the older age groups are the main source of projected future increases in population.

Figure 12.6 Forecast population change by age band in the study area, 2006 - 2021



Source: Figure 8.1 above

- iv) **Students and BME groups.** In Ipswich the growth of student numbers and the much higher growth rate of the BME population suggest additional pressure on the private rented market. The extent of this pressure will depend on the future rate of inflow of new in-migrants, as well as the rate at which both the BME groups are able to access other tenures and the degree to which students are housed in specialist student residences.

- 12.41 However, it is likely that the current (Autumn 2008) 'credit crunch' and economic downturn is likely to negatively impact on both the supply of new housing and employment. As noted in Chapter 5, there are a number of economic factors such as the increasing difficulty of consumers to obtain credit to purchase properties (the 'credit crunch'), and a general acceptance that national economic growth will slow suggesting that, at least in the short-term, house price inflation will be lower than during the past five or ten years. Further, it is likely that the national trend of increasing mortgage repossessions during 2008 will be reflected at a local level.
- 12.42 Again, as noted in Chapter 5, the credit crunch may impact on land supplies over the next five years. One developer stated that the effect of this will be 'devastating' unless institutions respond immediately. They argued that the impact of the credit crunch in 2009 will be worse than in 2008 as builders have already forward sold for 2008. As such, this will impact heavily on the 5-year supply, with little or no supply coming through whilst problems resulting from changes in land value will have a similar impact.
- 12.43 In general economic terms, the OECD (October 2008) suggests that the UK economy is likely to shrink by 0.3% in the third quarter of 2008 and by 0.4% in the final quarter. This means that the economy will officially be in recession. The economic downturn is likely to impact on employment growth and lead to a substantial increase in unemployment. Increasing fuel and food prices will have a disproportionate impact on poorer households, particularly those residing in rural areas of the study area where there is a relative lack of support services. Such s are also leaky to impact on housing demand i.e. where people want to live and housing affordability.
- 12.44 The overall trend for the study area is a positive one. However, at least in the short-term, adverse economic conditions may have a negative effect on both housing supply and growth in employment. The issue of the ageing population may not have a major direct impact on housing, as it may simply lead to an increase in the already high levels of under-occupation that are found. In other words many single people living in multi-bedroom houses.

Step 3.4.3: Issues for future policy/strategy

12.45 **Issue 1: Planning infrastructure for growth.** The study area is at the focus of an area of growth. This raises infrastructure provision issues which will need to be addressed as the growth occurs. Some of the funding for this is provided in the New Growth Point programme, but some will no doubt be required from the S106 contributions of developers involved in the programme. If the house price downturn proves to be prolonged, then that programme of funding may be delayed and so measures will need to be considered to restrict the levels of development within whatever the infrastructure capacity may be at a particular period.

12.46 **Issue 2: Balance of jobs and homes: levels of commuting.** The EiP Panel commented that the future plan is for 'job-led' growth partly to rectify the perceived imbalance that exists. There are two levels of commuting involved:

- i) It has been observed through the study (especially in the employment section of Chapter 5) that higher paid workers in Ipswich choose to reside in the more rural surrounding districts and commute into the main employment focus in Ipswich.
- ii) At another level there has for a long time been a commuting population resident in the area which works in London and other more remote centres.

12.47 Proposals such as the new university for Ipswich are intended to 'rectify' the perceived imbalance of financial capacity between households resident in the town, and those resident in the surrounding districts who commute back to it. This policy initiative may have an effect, but there is a long-term and national trend of this kind. It is commonly the case that major towns and cities have around them rural areas in which many of the higher paid groups of employees live. It is unlikely that this character can be substantially altered without radical and unlikely change.

12.48 The study area lies strategically on the edge of the main commuter belt for London, which has a more powerful effect on nearby local authority areas such as Braintree, Colchester and Chelmsford. The growth of commuting to London from the study area will partly depend on the level of local job creation, but also upon the cost structure faced by workers in London. If, in the future, it becomes cheaper to live in the study area and commute to London, then pressure to do that will grow. This only applies to higher paid groups, as lower paid ones could not afford the length of commuting trip involved. In that sense 'imbalance' is only likely to arise in relation to the higher paid end of the job spectrum, and levels of job creation in the study area will not wholly control the outcome, since the outcome depends on the relative attraction of the study area to the types of commuter involved.

12.49 **Issue 3: Affordable housing.** As in most of England, there is clearly a high level of need for more affordable housing in the study area. This is not likely to be met in full in the foreseeable future, and so the problem will continue and may become worse rather than better. The sub-set of the problem which perhaps most rewards policy attention is the intermediate and low cost market bands (see the housing gaps graphs in Chapter 13). At present there is little sign of substantial newbuild forms of housing that meet the substantial need for intermediate housing (around a fifth of all the housing need in the study area) and for low cost market housing to fill the rent/buy gap. In both cases the problem is a national as well as local problem but solutions have to be found at local level in each area. Attempts to resolve this issue would have wider benefits for new in-migrants, whether BME groups or new accession ones, who want to try to ascend the local property ladder.

Summary

- This chapter reviews the results of the study so far
- Although the study area is only part of an HMA, it has considerable integrity as a market area, showing high levels of self-containment
- The extensive data reviewed in the study show the sharp distinction between Ipswich itself, with a lower profile of both housing and households, and the high income and financial capacity generally of households living in the surrounding three districts. This is of course a generalisation, since there is a distinct problem of rural poverty³¹ (as defined by households living in settlements of 10,000 people or fewer with low incomes), but that is the overall picture, summarised by the dominance of semi-detached or terraced housing in the town, and detached homes in the other three districts.
- The study area is forecast to have above average growth of both homes and jobs in the future. This is partly a continuation of past trends, but also an attempt to use the attraction of the Haven Gateway to re-balance homes and jobs in the area.
- The main drivers of future change are the planned expansion, the New Growth Point investment, the ageing population, and the presence of students and fast growing BME groups in Ipswich town.
- These lead to issues for future policy in the form of co-ordinating infrastructure with growth, managing the balance of commuting, and addressing the affordable housing problem, perhaps focussing upon the intermediate band in particular.
- Refer to Chapter 2 for more information on the sub-regional housing market area, Chapter 5 for economic and demographic data, Chapter 6 for a picture of current housing stock, Chapter 7 for the active market and costs, Chapter 8 for household and employment projections, Chapter 9 for an analysis of housing need and Chapter 10 for data on specific groups

³¹ According to the Rural Evidence Research Centre around 15% of England's low-income households live in rural areas

SECTION F: POLICY IMPLICATIONS AND UPDATING

This concluding section draws policy implications from the analysis, suggests practical policy tools and summarises an approach to updating.

13. Housing market gaps and the housing ladder

The purpose of this chapter is to explain:

- The housing market gaps analysis
- How it applies to the study area
- The state of the 'housing ladder' in the study area

Introduction

- 13.1 It has been a concern of Government for at least two decades that there should be a well functioning 'housing ladder' so that newly forming households can enter the market, and 'climb' towards home ownership, and then move as appropriate up the size scale. This public concern has grown more acute as house prices have risen rapidly especially over the last decade.
- 13.2 This has led to many initiatives to encourage access to the market, and in particular the owner-occupied market. Some two decades of evolution of 'low cost' home ownership and shared ownership (where typically a Registered Social Landlord owns part and the occupant owns the rest) have produced the present structure of tenures encouraged by the Housing Corporation (particularly Open Market HomeBuy and Newbuild HomeBuy).
- 13.3 This chapter examines the cost of different types and tenures of housing. This is done to provide an updateable benchmark for assessing the affordability of new housing schemes.

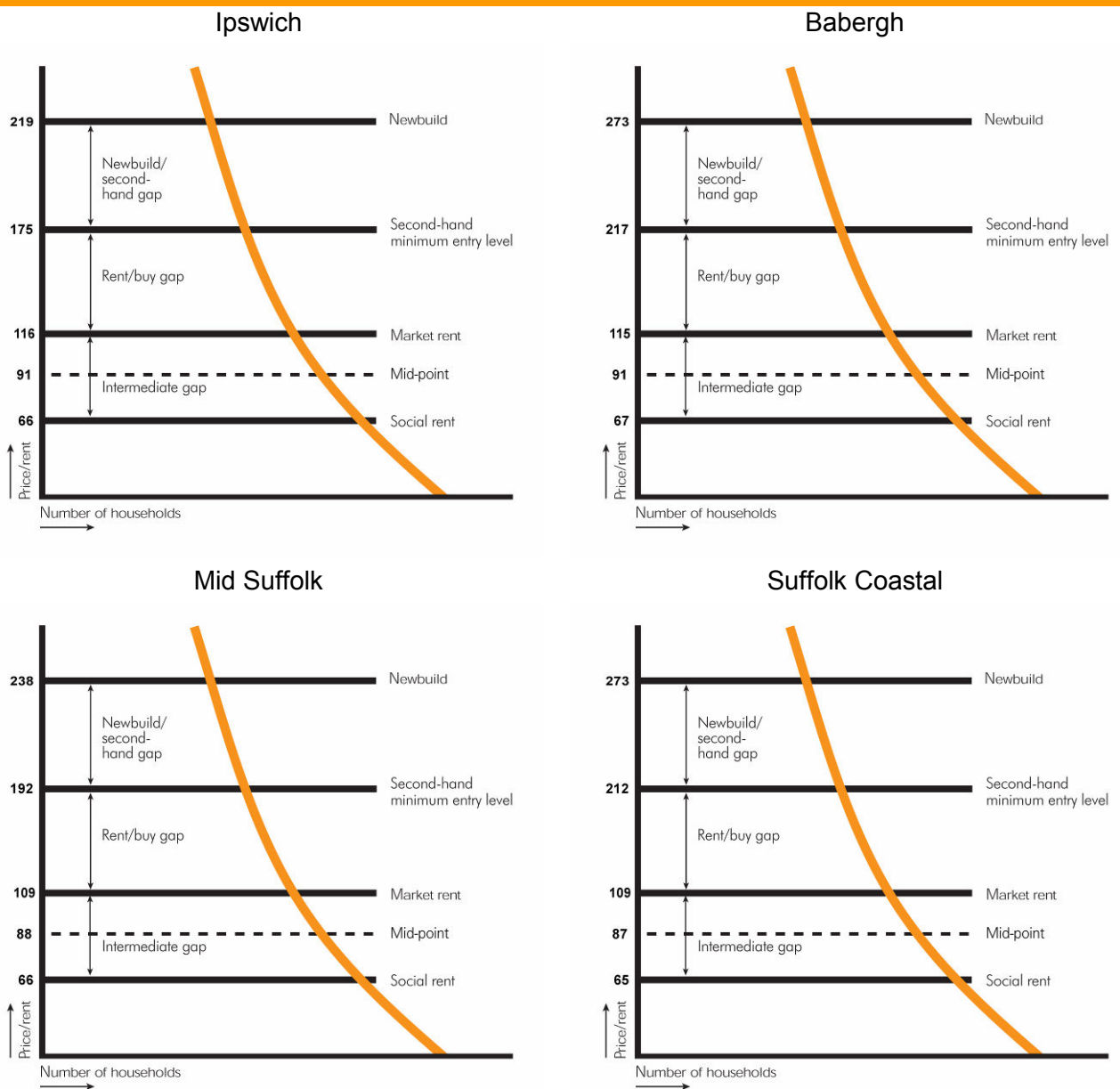
Housing market gaps

- 13.4 Housing market gaps analysis has been developed by Fordham Research to allow easy comparisons of the costs of the tenure range, in order to facilitate the testing of different newbuild proposals, and to show generally the nature of the housing ladder in a particular locality.
- 13.5 The following figures show a stylized graph designed to illustrate the nature of the housing market gaps in each District. The figures are based on:
- i) Plotting the weekly cost of housing for each tenure group (on the y-axis), against the notional numbers of households (illustrated only figuratively by the orange curve) along the horizontal x-axis

- ii) This is done for two-bed dwellings only (the weekly costs for the full range of dwelling sizes are shown in the tables in Chapter 14).
- iii) The bars on the gap graphs show key tenure distinctions:
 - Newbuild to buy
 - Second-hand to buy
 - Private rental
 - Inferred mid-point of intermediate band
 - Social rent
- iv) Between each of the bars is a gap. The main two gaps of interest are:
 - The Rent/Buy gap: households in this gap can afford market rent without the need for Housing Benefit, but cannot afford to buy outright
 - The Intermediate gap: intermediate housing is defined in PPS3 as housing at between a social rent and market rent. Although technically intermediate housing begins at £1 or so below market rent level, housing at such a weekly cost would clearly not be of much use to households in housing need. We put the mid-point on the graph and infer the weekly costs. Typically more than half of the households in intermediate need lie below the mid-point as an indicative price between social rent and market rent. It is necessary that intermediate housing should be priced well below the market entry point, as hardly any households in need would be helped by intermediate housing priced near the market entry. Even housing priced at the mid-point will leave many of those in intermediate need with only social rented housing as a choice.
- v) To enable comparisons, the capital cost of buying new and second-hand housing is expressed as a weekly cost (by analogy like a mortgage payment). The technicalities of doing this are shown in the final chapter which explains how to update the base data shown in Table 15.4 – 15.7.

13.6 The following figure illustrates figures for two-bed dwellings (the most common entry point) for the range of tenures.

Figure 13.1 Housing market gaps



N.B. This is an average for 2 bed dwellings across the study area

Source: Fordham Research 2007

13.7 The figure shows the ‘housing ladder’ with social rents at the bottom and moving up through market rents, second-hand purchase and newbuild purchase. To this figure we have added a line called ‘mid-point’: this is a line drawn at the mid-point between social rents and the market and is designed to provide a broad figure for the level of outgoings which might be required to provide ‘intermediate housing’ at a level which will be affordable to a reasonable proportion of households who are unable to access the private sector housing market (without subsidy).

Table 13.1 Meaning of housing gaps

Council area	Market rent as % of social rented	Market entry to buy as % of market entry rent
Ipswich	201%	187%
Babergh	178%	171%
Mid Suffolk	195%	226%
Suffolk Coastal	187%	179%

Source: Ipswich SHMA Fordham Research 2008. Please note that these percentages are for 2-bed dwellings, taken from the tables in Chapter 14

- 13.8 The gaps between the key ‘rungs’ in the housing ladder shown in this table are very large indeed: in most cases about double. It costs nearly twice as much to rent privately (even at the entry level) than to social rent. It also costs nearly double to ascend from entry level market rent to entry level to buy.
- 13.9 Clearly no ordinary household is likely to increase its income by the implied great leaps to ascend this ‘ladder’. Only those with relatives who own, and who can make capital available through parental support, are likely to be able to ascend such a ladder. This puts extra pressure on the need to find newbuild housing variants which fill the gaps, rather than appear at each extreme, as discussed below.
- 13.10 The next chapter provides the detailed table of weekly housing costs that was used for the above graphs.

Qualitative research and housing gaps

- 13.11 During the Strategic Housing Market Assessment study period there are many discussions with stakeholders and members of the public. These occur during meetings and workshops but they can also occur informally. What follows are a number of remarks that relate to affordability gaps that add a ‘people dimension’ to the work.
- Taxi driver: *‘When we moved last time I decided to rent out the old home instead of selling it. There is no shortage of punters for the house. I don’t use an agent – just word of mouth’*
 - Waitress: *‘We might just be able to pay the mortgage but whilst we are currently renting we cannot save toward a deposit’*
 - Landlord: *‘I don’t have a pension. The property I own is my pension’*
 - Student: *‘I don’t even think about buying a property. I don’t think I ever will unless my mum and dad help me’*
 - Estate agent: *‘Older people are coming to live here. They have lots of equity in the house they sold – typically London or Essex. They are great because they are very active – run the parish council etc. The downside is that there are just not enough younger people with families living here’*

- Estate agent: *'It's a very closed community here, people tend to stay here because its just too far away from Ipswich or Norwich to commute'*
- Developer in Mid Suffolk: *'I am pushing for these apartments to be sold on shared ownership. We do it in other regions but not here'*
- Estate agent (Babergh): *'I can tell you the precise point that housing becomes unaffordable to local people and it's to do with local property values. Local income and equity means that only in-comers can afford the more expensive property'*
- Developer: *'Sometimes we get complaints. People think their neighbours will be owner-occupiers but in many cases they are renters due to sales to investors'*

Review of how affordable housing can meet the need

13.12 The information on housing gaps can be set against the two measures of need for affordable housing discussed in this report, and against the one practical variant of intermediate housing that seems currently to exist.

Summary

- There are substantial housing market gaps in all districts of the study area which mean that the local housing 'ladder' is not an easy one to climb. This is the case even though the gaps are smaller in relative terms than in many parts of the country.
- At the two-bed level the overall gap from social rent to newbuild purchase is about 4-500%: clearly this is too big a step to be easily climbed by anyone starting at the bottom of this particular ladder.
- Newbuild housing is mainly available for sale or as social rent, in other words at the extreme ends of the range. There is little newbuild housing in between. Shared ownership (Newbuild HomeBuy in Housing Corporation terminology) is the main option. The problem is that sometimes this is more expensive than market rental due to the newbuild purchase element. At that level by definition it is not affordable housing.
- Also, as noted in Chapter three, shared ownership schemes were not always successful because: its perceived association with social housing was not always attractive to prospective customers; some customers who had bought shared ownership properties had experienced financial problems; and present economic circumstances meant that some developers were offering more attractive incentives to buy compared with shared ownership schemes.
- There is a substantial need for social rented housing and also for intermediate housing. The rent/buy gap is large, and so some form of low cost market housing also has a role to play.
- Chapter 7 of this report explores house prices and affordability in more detail. Weekly costs for housing of different tenures in each local authority of the study area are provided in the next chapter, together with suggested approaches to policy for new housing.

14. Policy tools for the study area

The purpose of this chapter is to explain:

- The key policy tools proposed for policy on new housing in the study area

Introduction

- 14.1 As discussed in the second chapter of this report, Guidance is now much more demanding and much more specific about what the evidence base should yield. It is therefore appropriate to provide an account of the output of the study in terms of the requirements.
- 14.2 The Practice Guidance sets out requirements for the outputs and also for the process of an SHMA. The outputs are dealt with below in relation to the PPS3 requirements, since they are the dominant guidance. First, however, this chapter comments on fulfilment of the process requirements.

Process requirements

- 14.3 The Practice Guidance (in its Figure 1.2) provides a checklist of process requirements. The following list of seven items paraphrases the requirement, and then summarises the response:
- i) Approach to identifying the sub-market: this was done originally by the East of England Regional Assembly and has been supplemented through the stakeholder process here.
 - ii) Housing market conditions to be assessed in the local context: the report contains local market information at many points.
 - iii) Involves stakeholders: there has been a full involvement of stakeholders in the process, partly managed by the Council and partly facilitated by Fordham Research.
 - iv) Full technical explanation: there are technical explanations at relevant points in the text and also in the Appendices.
 - v) Assumptions and judgements fully justified and transparent: a Glossary of key terms is provided, and where assumptions and judgements have been made, they are explained as clearly as possible.

- vi) Uses and reports on quality control mechanisms: the work was carried out in accordance with the Practice Guidance so far as possible.
- vii) Explains about monitoring and updating: the following chapter sets out the approach which is suggested.

Output requirements of PPS3

- 14.4 PPS3 paragraph 22 requirements are listed in paragraph 1.17 above. In summary the requirement is to indicate the balance of market and affordable housing, the types of household requiring new market housing, and details of size and tenure mix for affordable housing. The direct requirements of PPS3 paragraph 22 cannot be fully met through a secondary data based approach using the Practice Guidance – there is currently no Strategic Housing Market Assessment based upon secondary data that provides the outputs required by PPS3 paragraph 22. This applies particularly to the first two: the market demand and character of households requiring new market housing.
- 14.5 However we can estimate these requirements from a number of sources. As a result this analysis rests on three key indicators which can be used to most closely produce the analysis required by PPS3:
- i) Costs of various housing tenures (as updated)
 - ii) Current structure of housing stock (based on analysis of the 2001 Census)
 - iii) The affordable housing requirement

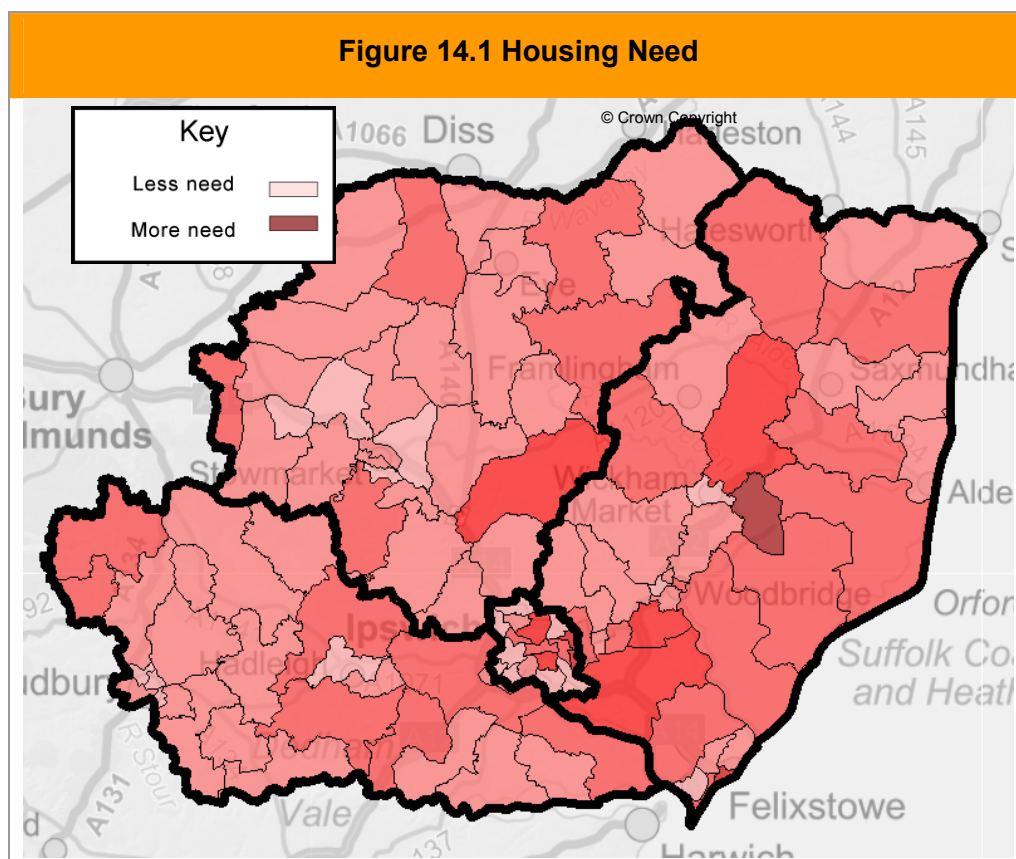
Suggested approach to policy

- 14.6 The way in which information sources can be used is as follows:
- i) The maps derived from the Census analysis show the degree to which given sizes of market and affordable housing are required to balance the current stock. They provide the key indications of size mix for new developments designed to balance the stock.
 - ii) Once the size mix is derived, the question is then its price. The weekly cost tables provide these. It is assumed that they will be updated as required, e.g. every six months at times of rapid price change and every year when change is slower. For market housing the prices are only indicative, since by definition the price of new and second-hand housing is set by the market. However in two further important areas the weekly costs help to define what the housing is:

- Low cost market housing: middle of the rent/buy gap as an indicative price
- Intermediate housing: mid-point as an indicative price

14.7 Using these two policy tools together will mean that in future, via the S106 agreements that fix the nature of new housing in all but very small scale schemes, the results of the SHMA will help to shape the nature of future housing.

14.8 For convenience the set of three maps (from Appendix A4) and the four weekly cost tables (from Chapter 15) are reproduced here.



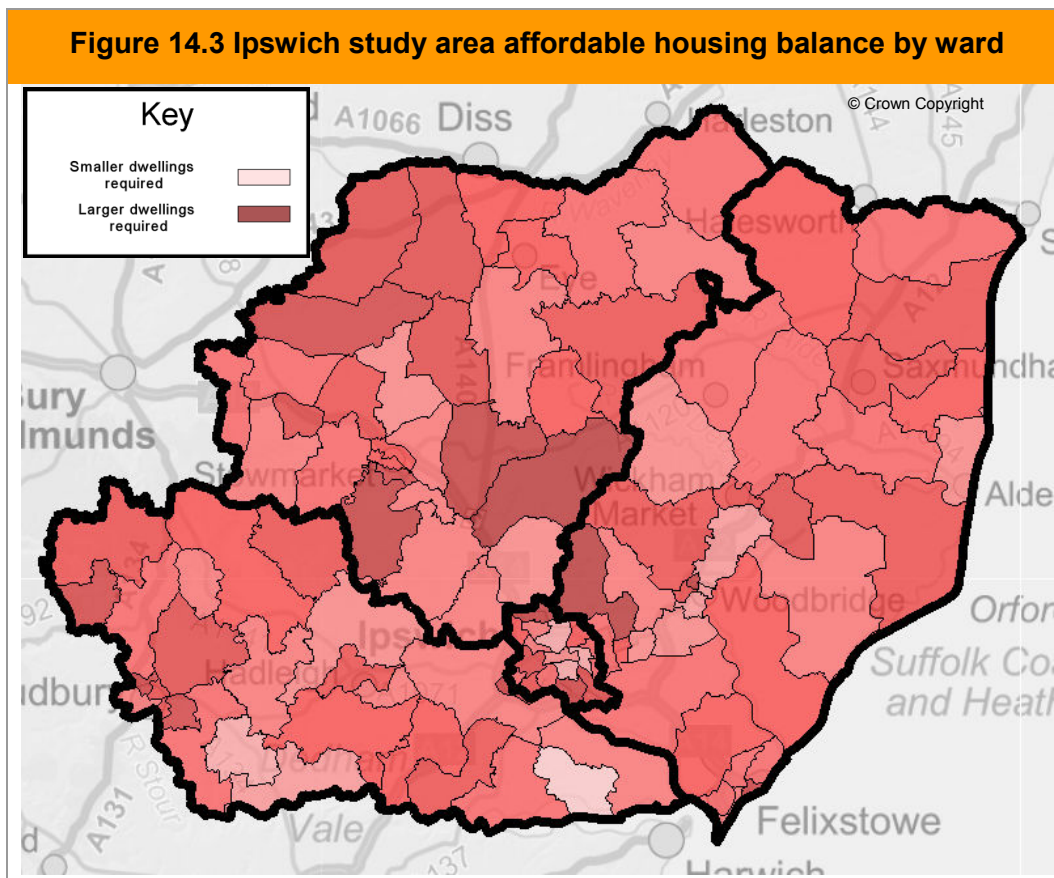
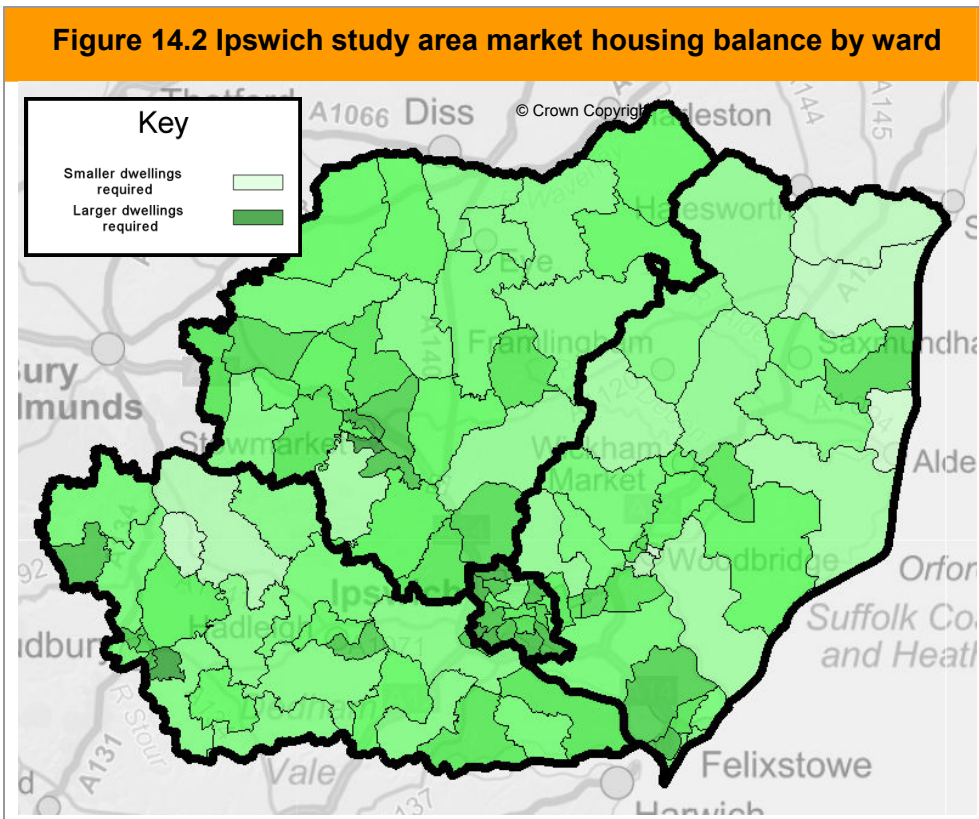


Table 14.1 Weekly cost of housing in Babergh

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£54	£75	£96	£104	£150	£163	£194
2 bed	£67	£91	£115	£129	£217	£237	£273
3 bed	£74	£105	£135	£160	£264	£313	£322
4 bed	£82	£127	£171	£234	£414	£478	£497

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 14.2 Weekly cost of housing in Ipswich

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£53	£77	£101	£106	£126	£160	£177
2 bed	£66	£91	£116	£126	£175	£198	£219
3 bed	£76	£101	£126	£144	£205	£240	£248
4 bed	£88	£119	£150	£196	£331	£411	£403

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 14.3 Weekly cost of housing in Mid Suffolk

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£53	£73	£93	£101	£154	£167	£192
2 bed	£66	£88	£109	£123	£192	£215	£238
3 bed	£74	£103	£133	£158	£246	£276	£306
4 bed	£83	£119	£155	£213	£362	£452	£474

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 14.4 Weekly cost of housing in Suffolk Coastal

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£57	£76	£95	£102	£133	£162	£198
2 bed	£65	£87	£109	£121	£212	£240	£273
3 bed	£73	£103	£133	£156	£260	£313	£347
4 bed	£82	£125	£168	£225	£365	£460	£502

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Summary

- The process required for an SHMA has been followed in the study area. The requirements of the Practice Guidance have also been followed, using secondary data. This means, however, that the requirements of PPS3 para. 22 item (ii) can only be estimated rather than precisely calculated.
- However there is a consensus amongst stakeholders about the broad shape of future development that will prove sustainable and deliverable in the context of the local market. This involves providing a more diverse range of new homes than apartments.
- Accordingly a combination of ward level size/tenure information, and detailed tenure specific weekly costs of housing are used. In combination these will enable the policy requirements of both market and affordable housing to be met across most of the study area.

15. Monitoring and updating

The purpose of this chapter is to explain:

- A recommended procedure for monitoring and updating the results

Introduction

15.1 One of the central features of the Guidance is that SHMAs are collaborative and continuing processes, not just production of a report. This requirement is implied by the Local Development Framework approach and the strong emphasis on flexibility in the response to changing housing market demands (e.g. para 60 of PPS3). This emphasis is mirrored in the Practice Guidance, where Figure 1.1 gives the key outputs but is matched by Figure 1.2 which provides a checklist of the key processes within the overall SHMA. The last of these process requirements is:

‘Explain how the assessment findings have been monitored and updated (where appropriate) since it was originally undertaken.’

- 15.2 The rapid movement of prices and rents, and the key importance of the checklist of (weekly) costs of different tenures/sizes of dwellings provided in this sub-regional SHMA, makes it evident that monitoring and updating is an essential part of the process.
- 15.3 The key thing is to update the weekly costs: they are the key to most practical policy decisions on both planning and housing issues. This issue is dealt with last, after discussing the more general types of updating.

Scope of this discussion

- 15.4 Monitoring and updating occurs at all levels from national to local. This sub-regional SHMA is designed to apply at sub-district, district and HMA level, and so the comments in this chapter are directed to that level. However the principles involved apply generally.
- 15.5 This section focuses upon updating rather than monitoring. Monitoring refers largely to the administrative issue of keeping change under review and developing a strategy for reviewing the sub-regional SHMA and updating it, and considering what policy implications may flow from such updates. This is a matter which the sub-regional SHMA Steering Group will want to discuss, but it does not raise technical issues and is therefore not addressed further here.

Guidance context

- 15.6 The sub-regional SHMA exists to support a wide policy spectrum: both at the local authority and higher level (particularly the Regional Spatial Strategy and Regional Housing Strategy). In the past these strategies have tended to be almost entirely top down. However the emerging sub-regional SHMAs have meant that RSSs are now taking aboard the local housing market results and being amended to respond to them. This process requires an updating procedure to be in place due to the periodic reviews that such policies undergo. At the same time the cycle of revision of such policies provides a key reference point for the updating of key SHMA information.
- 15.7 Apart from the major policy documents such as the RSS, there are regular productions such as Annual Monitoring reports and statistical returns to CLG which will require updated key statistics from the sub-regional SHMA.

Updating the general findings

- 15.8 There are a wide range of data sources from which the general (secondary data) findings of this sub-regional SHMA can be updated. A useful list will be found in Annex B of the Strategic Housing Market Assessment Practice Guidance. That list is very comprehensive as to sources. The following table takes it a stage further by outlining the strengths and weaknesses of the key sources. This is something which the non-professional user may not know, and so it may be useful to provide some guidance.

Table 15.1 Secondary data sources: strengths and weaknesses

<i>Topic and source</i>	<i>Frequency/scale</i>	<i>Strengths and Weaknesses</i>
(1) Survey of English Housing: a wide range of socio-economic data on housing	Annual; national and regional (sample c 20,000)	Excellent contextual source on all aspects of housing. Its weakness is that no further cross-tabulation is possible and supply and demand issues are not covered. In addition its scale does not permit accurate analysis at SHMA scale
(2) English House Condition Survey. Mainly useful for housing stock evidence. Due to be combined with (1).	Annual; national and regional (sample 10,000)	Very good for provision of housing stock numbers at regional scale; also provides much detail on the 'decency' and general state of housing. Not as directly relevant to housing market analysis as (1) but valuable for the overall evidence base

(3) 2001 Census	10 years; available at very local areas	The best source for many background purposes: e.g. migration as it shows everyone moving to and from everywhere. It is now somewhat out of date. The main weaknesses for SHMA purposes are that it contains neither financial capacity information (not even income) nor indications of movement intentions. It is therefore of little use in producing plausible modelling of a housing market
(4) General Household Survey (GHS).	Annual; down to regional scale	Excellent descriptive source. Of little practical use in SHMA analysis for similar reasons to the Census. It does not provide data for individual households containing housing and financial data, essential for modelling housing market behaviour
(5) NOMIS website [contains many other general data sources]	Available all the time and at many scales	The best ready source for most secondary data; weaknesses are as per the above sources. It does not provide the analytical inputs to a SHMA process, but much valuable background
(6) Population projections (ONS)	Annually updated; regional and district level	They are conveniently detailed, but are not of much direct use in SHMA analysis, since they are not based on households (see below) and contain no information which can be correlated with the bare numbers of people
(7) Household projections (CLG)	Due to be updated every 2 years; regional and usually district level availability; annual mid-year estimates are produced for districts	Much more useful than population, and a vital background series. The only commonly available projections for 15-20 year horizons. The price of this long view is that the data does not reflect housing markets. Although sometimes wrongly referred to as a 'demand' forecast, it is not. It is based on assumptions about household formation drawn from the current socio-economic situation. This may change, both nationally and locally, if socio-economic situations change (as they normally do. Hence these projections must be treated as 'guesses' or 'policy led' (i.e. what it is hoped may happen, not as any guide to what the housing market may do
(8) English Longitudinal Survey of Ageing (NCSR)	Bi-annual; national	Valuable background source. Useful for health; general economic situation and quality of life. Not of practical value for SHMA analysis due to scope and sample size
(9) National Health Service (NHS) Central Register	Quarterly or annual; national, regional and district	Extremely useful as it is the best source for migration in between the 10 year censuses. Of very limited use for checking primary data, unfortunately, as it is biased by the fact that younger men and more mobile people are less likely to register. As it is collected at an individual rather than household level there are further limitations to its use in SHMA analysis

(10) Inland Revenue income data	Annual; regional and district	Valuable as background; very limited usefulness in SHMA work as it is personal (not family) and cannot be correlated with other information (such as equity, household characteristics)
(11) Annual Survey of Hours and Earnings (ASHE)	Annual; regional and some district level data	The best source for individual income, but it is employment and individual, not home and household based. Moreover it is not possible to relate the data to housing and other financial data for SHMA analysis
(12) CORE (U of St Andrews)	Annual; district	The best source for social rents
(13) Rightmove (and other similar websites)	Continuous; very local	By far the best source for both local house prices and rents. It is quicker to scan this than to look at other secondary sources and much more up to date
(14) Land Registry Sales of all housing	Quarterly; postcode sector	By far the best background source on value of dwellings. It does not contain information on size of property nor on repairs costs, and so it cannot be directly used in SHMA analysis. However it provides the only reliable dynamic source for past price changes
(15) Housing Strategy Statistical Annex (HSSA) CLG	Annual; district	A good source for current housing at district level, especially figures for the Housing Register and newbuild affordable housing. It is dependent on forms returned by district, and is of very variable accuracy. Many districts, when approached directly, produce different statistics to the HSSA
(16) Annual survey of mortgage lenders	Annual; regional	The most comprehensive source for overall mortgage amounts and types. It does not (and nor do those of particular lenders) provide the full range of financial capacity for the households concerned, and so it cannot be used in SHMA analysis
(17) Valuation Office Agency: value of properties sold	Quarterly; postcode sector	Excellent source, now subject to a charge though; it simply provides valuation for the stock of housing and again cannot be cross-tabulated reliably with other data
(18) Council Tax Band data (from districts)	Annual; district	The best source for value of properties in a district; can be rendered of little value if there are wide areas of for example low priced housing, all in Band A
(19) Labour Force Survey ONS	Quarterly; district	The best source for employment trends; cannot be related usefully to housing market statistics

(20) Index of multiple deprivation CLG	4-5 years; district or lower	Key reference as a general description of the circumstance of the population, with obvious focus on deprivation (income, health, education, disabilities, barriers to housing)
(21) Economic forecasts Treasury and commercial sources	Regular; regional and district	Forecasts exist (e.g. Oxford Economic Forecasting) in considerable detail at district level showing changes in types of employment, and migration for decades ahead. They cannot be regarded as much better than straws in the wind, but do provide useful background to an SHMA

Source: Annex B to the CLG Practice Guidance (March 2007); and Fordham Research 2007

15.9 There are many other possible sources, and the list in the Annex is longer than this one. However the other sources are more minor, and are more readily accessed through such sites as NOMIS (by topic).

Primary dataset

15.10 The key primary update for a sub-regional SHMA is the weekly costs aspect, addressed via the tables below. However local information on, for example, new variants of intermediate housing will no doubt be sought, and should be brought into the process. Similarly with new ideas from the press that seem capable of local application. Thus there are a wide range of informal updating processes which simply require initiative, rather than detailed analysis.

15.11 At the more formal level, a convincing sub-regional SHMA requires a combination of secondary (existing) and primary (specifically gather local survey) data. The sources listed above will help to update the secondary data. It is not readily possible to update the primary data without specialist analysis. That is because the dataset is very large (requiring an analytical programme called SPSS) and because the process of (re) analysing it involves a complex expertise which is not widely available.

15.12 In practice this is not a serious drawback. Market behaviour and expectations change all the time. Some of this behaviour is simply a response to changing costs of types of housing. That element of market behaviour can be readily updated using the procedure detailed in the table above. That, and a general updating using the secondary sources listed in the tables below, is probably the limit of what can readily be done by stakeholders without specialist support.

15.13 However that is all that is reasonably required for a number of years after the primary data is gathered. Short-term market responses will be catered for by the procedures listed in this chapter. Longer-term structural changes are likely to require monitoring only at much longer intervals such as five yearly. From that longer perspective it is not unreasonable to expect to have to do further primary survey work. Many of the households in the original survey will have changed by the time of a second one, and only new survey work can find out about them.

Triggers for updating

15.14 As discussed, there are data requirements which act as triggers for updating key figures at, for instance, annual intervals. There are also regular publications such as the ONS series on economic growth, and the Land Registry, which provide context for alerting sub-regional SHMA Steering Groups to the need for more frequent updating.

15.15 We would recommend fairly frequent (at least quarterly) updating of the key tabulation of weekly costs. The rate of change in this will serve as a key indicator of how frequently the core data needs to be updated.

Updating weekly costs

15.16 It has been emphasised through this report that the old focus on price/income ratios is not relevant to SHMA work. Financial capacity is the appropriate measure for the ability to afford. However it has been emphasised that the main focus should be upon comparative prices and rents: what are the housing market gaps and how are they changing? That is what governs the issue of how fast people can 'climb the housing ladder'.

15.17 The most fundamental set of data for monitoring and updating is therefore the tabulation of weekly cost equivalents for purchase and rental. That is the main focus of the updating suggestions here, as it is both (relatively) simple and central. As a first step a couple of related issues will be addressed, followed by specific instruction on the updating process.

Why not update incomes as well as the weekly costs of housing?

15.18 The short answer is because it is not relevant. There is no problem with updating incomes (indices exist for doing so) but it will not help with the question of affordability and policy for newbuild housing generally.

- 15.19 The key point to emphasise is that the issue of affordability is about the different costs to types (and tenures) of housing. Whether a household can afford social rent or outright purchase is a financial matter, but as emphasised in this report, income is only part of the answer to that question: financial capacity is the key measure.
- 15.20 However from the point of view of planning and housing policy and practice the key updating issue is the relative costs of types/tenures of housing. The sub-regional SHMA has indicated the ability to afford housing in general. The policy issues which will arise from day to day are of a different type, for example:
- i) A house builder offers what is stated to be affordable housing of two bedrooms at a cost of £X per week. Is it affordable? All that needs to be done is to ensure that the costs are on a comparable and complete weekly basis, and the answer takes a few moments when comparing it with the cost table below.
 - ii) An RSL proposes shared ownership homes at a given price. Again when reduced to an overall weekly cost (including management/service charges) by making the purchase element into a weekly cost, the comparison with the table will soon show if the product is indeed intermediate or low cost market.
 - iii) When negotiating S106 Agreements reference to updated versions of this table will serve the purpose of ensuring that what is agreed to be housing of a given affordability really is.
- 15.21 As can be seen, all this important operational policy information can be derived directly from the table and there is no need for any elaborate calculation.

How to calculate the updated prices

- 15.22 Before putting the purchase and weekly rent costs on a common basis, as discussed in the next sub-section, it is necessary to set out some points on the way in which a reasonable set of updated prices can be derived for a given (probably district) area. The following table sets out general principles.

Table 15.2 Establishing new minimum prices/rents

1. Prices for each size of dwelling will vary across a district, often within short distances. There is no easy way to average such prices to produce a 'district average'.
2. Nor is that the sensible approach. The purpose is to allow calculation of the access threshold costs of different tenures/sizes of dwelling. Therefore the focus is upon the cheapest place for a given size of dwelling in the district involved. That should make the searching of websites (or agent inquiries) quite simple. There is not very much question about where the cheapest place in the district lies.
3. It should therefore not take too long, using websites like Rightmove and local agents to identify the current cost of purchase/rent in the four main size categories (and types i.e. flats/houses as well if desired).
4. The choice of the cheapest place is to ensure that the cost of accessing housing is not exaggerated. It may be unrealistic, in that a household might refuse to go from one end to the other of larger districts to find the cheapest dwelling. On the other hand, when the issue is public or private (land) subsidy, it is important not to exaggerate the threshold cost.
5. Use of these minimum costs may on the other hand make it difficult for those producing new housing (whether affordable or low cost market) to meet the implied threshold costs. That may be true, but it is realistic, in the sense that households who are finding it difficult to access housing will normally be obliged to search for the cheapest areas. If, for example, they can buy in the cheap area, there is no point in producing shared ownership that costs more than that, as it will not assist any/many households that are unable to buy.
6. Thus the minimum price approach seems the right one, and makes it much easier to find and agree on revised information in the future.

Source: Fordham Research 2007

15.23 The figures can, in the case of weekly costs like rents, be inserted straight into the table. In the case of prices and shared ownership (combination of price and rent) it is necessary to process the information further. The next section describes a procedure for doing this.

Putting purchase prices on a weekly cost basis

15.24 The following table explains how to put purchase prices on a weekly basis, for insertion into the table.

Table 15.3 Turning the purchase price for a house into a weekly cost

<i>Issue for calculation</i>	<i>Formula</i>	<i>Calculation</i>
*For interest only mortgage (which is preferable because it represents the cheapest method of entering the sector and therefore the entry level)		
Cost (price) of home = C (assumed here to be £125,500 for a 2-bed)		
Interest rate = I (currently 6.5%)		
Interest to be on mortgage to be paid per year = P		
Weekly Interest payment = W		
Interest only mortgage: calculation of interest	$C \times I = P$	$£125,500 \times 0.065 = £8,164 \text{ pa}$
Make the annual figure into a weekly one	$P/52 = W$	$£8,164/52: £157 \text{ per week}$

Source: Fordham Research 2007

Basic table for future updating

15.25 For convenience the weekly costs table is reproduced here. It is the template for successive revisions as market conditions change. It represents the testing framework for a wide range of new housing. It can be inserted, together with the updating procedure, into S106 Agreements and the like, in order to ensure that the housing (especially affordable housing) does indeed meet the necessary criteria to address the relevant need.

Table 15.4 Weekly cost of housing in Babergh

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£54	£75	£96	£104	£150	£163	£194
2 bed	£67	£91	£115	£129	£217	£237	£273
3 bed	£74	£105	£135	£160	£264	£313	£322
4 bed	£82	£127	£171	£234	£414	£478	£497

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 15.5 Weekly cost of housing in Ipswich

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£53	£77	£101	£106	£126	£160	£177
2 bed	£66	£91	£116	£126	£175	£198	£219
3 bed	£76	£101	£126	£144	£205	£240	£248
4 bed	£88	£119	£150	£196	£331	£411	£403

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 15.6 Weekly cost of housing in Mid Suffolk

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£53	£73	£93	£101	£154	£167	£192
2 bed	£66	£88	£109	£123	£192	£215	£238
3 bed	£74	£103	£133	£158	£246	£276	£306
4 bed	£83	£119	£155	£213	£362	£452	£474

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Table 15.7 Weekly cost of housing in Suffolk Coastal

Property size	Social rent	<i>Mid-point Intermediate</i>	Min private rent	Median private rent	Min price sale (second hand)	Median sale (second hand)	Median newbuild sale
1 bed	£57	£76	£95	£102	£133	£162	£198
2 bed	£65	£87	£109	£121	£212	£240	£273
3 bed	£73	£103	£133	£156	£260	£313	£347
4 bed	£82	£125	£168	£225	£365	£460	£502

Source: Ipswich SHMA Fordham Research 2008. Source of data: Survey of estate and letting agents, and Rightmove and other websites. The Intermediate costs are imputed (being halfway between social rent and market entry) and put into italic to distinguish them from the observed prices in the rest of the table

Policy use of the information

15.26 The revised table can be referred to in policy documents as a basic tool for assessing affordability. As emphasised above, it is not necessary to add income or financial capacity information. If the housing is cheaper than a given threshold, then it is affordable to the groups in question (those who can afford intermediate housing, or low cost market housing for example).

15.27 The revised table will, like that in this sub-regional SHMA, represent a central policy tool both for the local authority to check the affordability of different types of housing (e.g. Intermediate or low cost market) and for private sector bodies to check the affordability of what they are offering. This tabulation should provide a neutral basis for comparison of alternative packages whether of market or affordable housing.

Summary

- It is a key feature of the sub-regional SHMA that it be a continuing process, not a 'one shot' report. Updating and monitoring is therefore a key feature of that process.
- Strategies are needed for regular monitoring and updating, and triggers may be added where rapid changes are noted. The procedure outlined here is addressed to the sub-market SHMA, but can be applied widely.
- A listing is provided of the main secondary data sources which can be used to update the background information in the sub-regional SHMA. This is valuable in conjunction with the updating of costs to provide an overall picture.
- Updating the primary data is not easily carried out by sub-regional SHMA Partnerships, as it is a technical exercise. This is not a serious drawback as the structure of a housing market does not usually change fundamentally in less than about five years. As a result, most market responses are due to changes in weekly costs of housing plus any general changes, such as net in- or out-migration.
- The key statistic is the weekly cost of different tenures/sizes of dwelling. It is not, as is still sometimes thought, price income ratios (now almost meaningless in housing market practice). It is therefore essential to be able to update the key table of weekly costs in this sub-regional SHMA. A simple procedure is set out for doing this.
- Thus a combination of updating the weekly costs matrix, and testing proposed new housing developments against it, plus background updating using the second and third tables in this section should enable the SHMA process to proceed constructively. The final ingredient is the commitment of the Steering Group. This cannot be made a written requirement, but clearly the will and drive of the Steering Group is in many ways the main route to successful evolution of the SHMA process.

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Glossary

[This Glossary aims to define terms used in the report. Where there is an existing definition (e.g. in Government Guidance) reference is made to it. Otherwise the terms are defined simply in the way used in the report]

Affordability

A measure of whether households can access and sustain the cost of private sector housing. There are two main types of affordability measure: mortgage and rental. Mortgage affordability assesses whether households would be eligible for a mortgage; rental affordability measures whether a household can afford private rental. Mortgage affordability is based on conditions set by mortgage lenders – using standard lending multipliers (2.9 times joint income or 3.5 times single income (whichever the higher)). Rental affordability is defined as the rent being less than a proportion of a household's gross income (in this case 25% of gross income).

Affordable housing

Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should be at a cost which is below the costs of housing typically available in the open market and be available at a sub-market price in perpetuity (although there are some exceptions to this such as the Right-to-Acquire). [There is an ambiguity in PPS3: Housing, where 'intermediate housing' is defined as being below market entry to rent, while 'affordable housing' is defined to be below the threshold to buy (normally much higher than the private rental one). But in principle the Guidance defines affordable housing as below the market threshold, and rationally speaking, that includes the private rented as well as purchase sectors].

Annual need

The combination of the net future need plus an allowance to deal progressively with part of the net current need.

Average

The term 'average' when used in this report is taken to be a mean value unless otherwise stated.

Balanced Housing Market model

A model developed by Fordham Research which examines the supply and demand for different types and sizes of housing across different areas and for specific groups.

Bedroom standard

The bedroom standard is that used by the General Household Survey, and is calculated as follows: a separate bedroom is allocated to each co-habiting couple, any other person aged 21 or over, each pair of young persons aged 10-20 of the same sex, and each pair of children under 10 (regardless of sex). Unpaired young persons aged 10-20 are paired with a child under 10 of the same sex or, if possible, allocated a separate bedroom. Any remaining unpaired children under 10 are also allocated a separate bedroom. The calculated standard for the household is then compared with the actual number of bedrooms available for its sole use to indicate deficiencies or excesses. Bedrooms include bed-sitters, box rooms and bedrooms which are identified as such by respondents even though they may not be in use as such.

Concealed household

A household that currently lives within another household but has a preference to live independently and is unable to afford appropriate market housing.

Current need

Households whose current housing circumstances at a point in time fall below accepted minimum standards. This would include households living in overcrowded conditions, in unfit or seriously defective housing, families sharing, and homeless people living in temporary accommodation or sharing with others.

Demand

This refers to market demand. In principle anyone who has any financial capacity at all can 'demand' something, in other words want to acquire it and be prepared to pay for it. The question is whether they can pay enough actually to obtain it. Thus many households who are unable fully to afford market housing to buy do aspire to buy it. The word 'demand' is therefore used in two senses in this report:

'demand' when used in the general text refers to the ordinary understanding of 'wanting' something that has a market price

'demand' when associated with numbers (as in the Balancing Housing Markets model) refers to expressed demand: the numbers of people who can actually afford the type of housing in question

In relation to (expressed) demand mention should be made of the private rented sector where typically there are not only households who can afford to rent at market prices, but also others who are unable to access affordable housing but who are able to access the private rented sector due to the subsidy of Housing Benefit. Such households do not have a demand in the sense used here, as they can only access the private rented sector with a subsidy.

Disaggregation

Breaking a numerical assessment of housing need and supply down, either in terms of size and/or type of housing unit, or in terms of geographical sub-areas within the District.

Entry level market housing

The survey of prices and rents is focussed on 'entry level' prices/rents. That is to say the price/rent at which there is a reasonable supply of dwellings in reasonable condition. The purpose of this approach is to ensure that when assessments are made of say first time buyers, that the prices are the appropriate ones for the typical members of this group. Thus it would in many areas involve second-hand terraced housing, rather than newbuild, which would be much more expensive. Testing affordability against newbuild would clearly produce an underestimate of those who could afford to buy.

Financial capacity

This is defined as household income+savings+equity (the value of the property owned by owner occupiers, typically the family home, net of mortgage). This provides an indication, when put on a capital basis, of the amount which the household could afford to pay for housing. Since equity is now a substantial part of the overall financial capacity of the large fraction of owner occupiers it is essential to use this measure rather than the old price/income ratio to measure the activity of a housing market.

Forecast

Either of housing needs or requirements is a prediction of numbers which would arise in future years based on a model of the determinants of those numbers and assumptions about (a) the behaviour of households and the market and (b) how the key determinants are likely to change. It involves understanding relationships and predicting behaviour in response to preferences and economic conditions.

Grossing-up

Converting the numbers of actual responses in a social survey to an estimate of the number for the whole population. This normally involves dividing the expected number in a group by the number of responses in the survey.

Headship rates

Measures the proportion of individuals in the population, in a particular age/sex/marital status group, who head a household. Projected headship rates are applied to projected populations to produce projected numbers of households.

Household

One person living alone or a group of people who have the address as their only or main residence and who either share one meal a day or share a living room.

Household formation

The process whereby individuals in the population form separate households. 'Gross' or 'new' household formation refers to households which form over a period of time, conventionally one year. This is equal to the number of households existing at the end of the year which did not exist as separate households at the beginning of the year (not counting 'successor' households, when the former head of household dies or departs).

(A) household living within another household

Is a household living as part of another household of which they are neither the head or the partner of the head.

Household reference person

For the purposes of our study the survey respondent is taken to represent the household reference person (HRP).

Households sharing

Are households (including single people) who live in non-self-contained accommodation but do not share meals or a living room (e.g. 5 adults sharing a house like this constitute 5 one-person households).

Housing demand

The quantity of housing that households are willing and able to buy or rent.

Housing Market Area

The geographical area in which a substantial majority of the employed population both live and work, and where most of those changing home without changing employment choose to stay.

Housing need

Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.

Housing Register

A database of all individuals or households who have applied to a local authority or RSL for a social tenancy or access to some other form of affordable housing. Housing Registers, often called Waiting Lists, may include not only people with general needs but people with support needs or requiring access because of special circumstances, including homelessness.

Housing size

Measured in terms of the number of bedrooms, habitable rooms or floorspace. This guidance uses the number of bedrooms.

Housing type

Refers to the type of dwelling, for example, flat, house, specialist accommodation.

Income

Income means gross household income unless otherwise qualified

Intermediate Housing

PPS3 defines intermediate housing as 'housing at prices and rents above those of social rent but below market prices or rents and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent.'

Lending multiplier

The number of times a household's gross annual income a mortgage lender will normally be willing to lend. The most common multipliers quoted are 3.5 times income for a one-income household and 2.9 times total income for dual income households.

Lower quartile

The value below which one quarter of the cases falls. In relation to house prices, it means the price of the house that is one-quarter of the way up the ranking from the cheapest to the most expensive.

Market housing/low cost market housing

This is defined by CLG as anything not affordable. In the Housing Gaps figure it is anything above market entry. CLG has not defined 'low cost market' other than that it falls within the market range. Since this is very wide, it is not very helpful. The most useful kind of low cost market would be that which falls into the rent/buy gap on the Housing Gaps figure. Shared ownership would provide a partial equity solution for those unable to afford second hand entry level purchase, for example.

Mean

The mean is the most common form of average used. It is calculated by dividing the sum of a distribution by the number of incidents in the distribution.

Median

The median is an alternative way of calculating the average. It is the middle value of the distribution when the distribution is sorted in ascending or descending order.

Migration

The movement of people between geographical areas primarily defined in this context as local authority Districts. The rate of migration is usually measured as an annual number of households, living in the District at a point in time, who are not resident in that District one year earlier.

Net need

The difference between need and the expected supply of available affordable housing units (e.g. from the re-letting of existing social rented dwellings).

Newly arising need

New households which are expected to form over a period of time and are likely to require some form of assistance to gain suitable housing together with other existing households whose circumstances change over the period so as to place them in a situation of need (e.g. households losing accommodation because of loss of income, relationship breakdown, eviction, or some other emergency).

Non-self-contained accommodation

Where households share a kitchen, bathroom or toilet with another household, or they share a hall or staircase that is needed to get from one part of their accommodation to another.

Overcrowding

An overcrowded dwelling is one which is below the bedroom standard. (See 'Bedroom Standard' above).

Planning Gain

The principle of a developer agreeing to provide additional benefits or safeguards, often for the benefit of the community, usually in the form of related development supplied at the developer's expense.

Primary data

Information that is collected from a bespoke data collection exercise (e.g. surveys, focus groups or interviews) and analysed to produce a new set of findings.

Potential households

Adult individuals, couples or lone parent families living as part of other households of which they are neither the head nor the partner of the head and who need to live in their own separate accommodation, and/or are intending to move to separate accommodation rather than continuing to live with their 'host' household.

Projection

Either of housing needs or requirements is a calculation of numbers expected in some future year or years based on the extrapolation of existing conditions and assumptions. For example, household projections calculate the number and composition of households expected at some future date(s) given the projected number of residents, broken down by age, sex and marital status, and an extrapolation of recent trends in the propensity of different groups to form separate households.

Random sample

A sample in which each member of the population has an equal chance of selection.

Relets

Social rented housing units which are vacated during a period and become potentially available for letting to new tenants.

Rounding error

Totals in tables may differ by small amounts (typically one) due to the fact that fractions have been added together differently. Thus a table total may say 2011, and if the individual cell figures are added the total may come to 2012. This is quite normal and is a result of the computer additions made. Figures should never be taken to be absolutely accurate. No such state exists. The figures in this document are robust estimates not absolutely precise ones. The usual practice is to use the stated total (in the above case 2011) rather than the figure of 2012 to which the individual figures sum. That is because the total will have resulted from a rounding after all the fractions are taken fully into account.

S106 agreements

Contractual agreements entered into between a local planning authority and a developer that determine what proportion of units provided in residential developments will be designated as affordable housing units

Sample survey

Collects information from a known proportion of a population, normally selected at random, in order to estimate the characteristics of the population as a whole.

Sampling frame

The complete list of addresses or other population units within the survey area which are the subject of the survey.

Secondary data

Existing information that someone else has collected. Data from administrative systems and some research projects are made available for others to summarise and analyse for their own purposes (e.g. Census, national surveys).

Shared equity schemes

Provide housing that is available part to buy (usually at market value) and part to rent.

SHMA (Strategic Housing Market Assessment)

SHMA derives from government guidance suggesting that the 'evidence base' required for the good planning of an area should be the product of a process rather than a technical exercise.

Social rented housing

PPS3 defines social rented housing as 'rented housing owned by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime', the proposals set out in the Three Year review of Rent Restructuring (July 2004) were implemented in policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant'.

Special Needs

Relating to people who have specific needs: such as those associated with a disability.

Stratified sample

A sample where the population or area is divided into a number of separate sub-sectors ('strata') according to known characteristics based, for example, on sub-areas and applying a different sampling fraction to each sub-sector.

Specialised housing

Refers to specially designed housing (such as mobility or wheelchair accommodation, hostels or group homes) or housing specifically designated for particular groups (such as retirement housing).

Supporting People

This term refers to a programme launched in 2003 which aims to provide a better quality of life for vulnerable people by aiding them to live independently and maintain their tenancies/current home life. The programme covers a wide variety of vulnerable people from travellers, to young people at risk, to those with HIV or AIDS. Supporting People provide housing related support in many different forms but include enabling individuals to access their correct benefits entitlement, ensuring they have the correct skills to manage their tenancy and providing advice on property adaptations.

Under-occupation

An under-occupied dwelling is one which exceeds the bedroom standard by two or more bedrooms.

Unsuitably housed households

All circumstances where households are living in housing which is in some way unsuitable, whether because of its size, type, design, location, condition or cost. Households can have more than one reason for being in unsuitable housing, and so care should be taken in looking at the figures: a total figure is presented for households with one or more unsuitability reason, and also totals for the numbers with each reason.

Definitions

ABI - Annual Business Inquiry

BME - Black and Minority Ethnic

CBL - Choice Based Lettings

CORE - The Continuous Recording System (Housing association and local authority lettings/new tenants)

DETR - Department of the Environment, Transport and the Regions

GIS - Geographical Information Systems

HMO - Households in Multiple Occupation

HSSA - The Housing Strategy Statistical Appendix

IMD - Indices of Multiple Deprivation

LA - Local Authority

LCHO - Low Cost Home Ownership

LDF - Local Development Framework

NeSS - Neighbourhood Statistics Service

NHSCR - National Health Service Central Register

NOMIS - National On-line Manpower Information System

NROSH - National Register of Social Housing

ODPM - Office of the Deputy Prime Minister

ONS - Office for National Statistics

PPS - Planning Policy Statement

RSL - Registered Social Landlord

RSR - Regulatory and Statistical Return (Housing Corporation)

RTB - Right to Buy

SEH - Survey of English Housing

TTWA - Travel to Work Area

Appendix 1 Background trends in housing

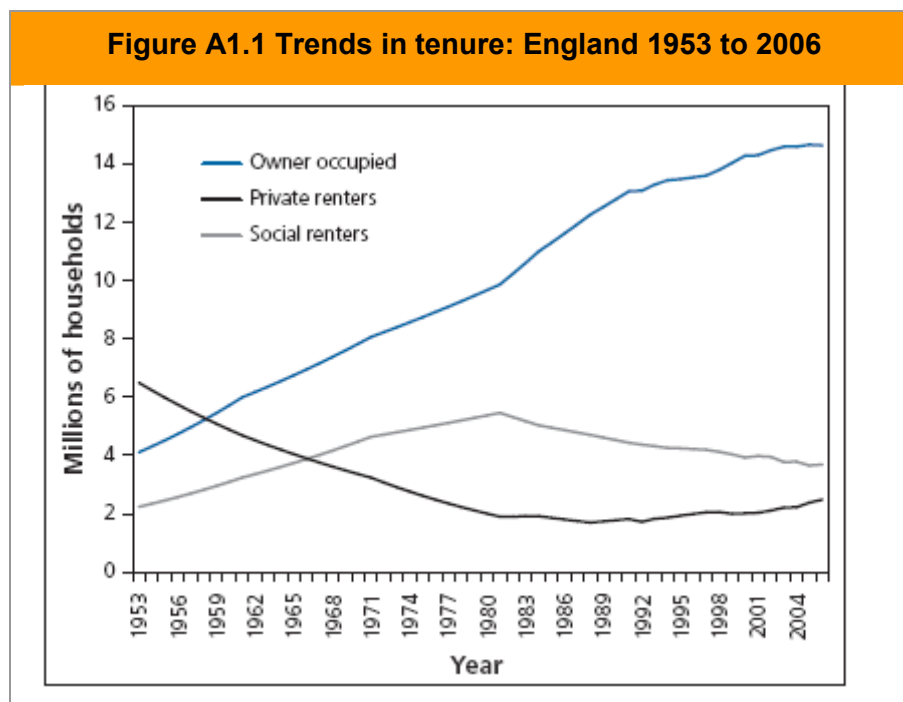
Introduction

A1.1 As a background to policy, some national statistics are provided here.

A1.2 This appendix is broken down into various parts, explaining different aspects of housing.

National tenure trends

A1.3 The evolution of tenure patterns is shown below (from the Survey of English Housing (SEH) 2005/6):



Source: Chart 1a Survey of English Housing 2005/2006

A1.4 This vividly shows the radical changes that have occurred since the middle of the last century, when only a third of households were owner-occupiers, as compared with 70% today. When this is taken in conjunction with the price rises discussed in Chapter 7, the revolutionary nature of the change in financial circumstances of the average household can be seen.

National statistics on each major tenure

A1.5 The three main tenures are owner-occupation, social renting and private renting, as shown in the diagram above. For entirely understandable reasons the Government has sought to encourage various 'intermediate' tenures as well as 'low cost market' housing to fill the major gaps in the pattern of provision by price. However the main numbers are still in the three categories shown in the diagram above.

Owner-occupation

A1.6 For as long as measurements exist (about 25 years) the proportion of owners with a mortgage has been somewhat over half (currently 57%) and the proportion (normally older households) without mortgages has been somewhat below half.

A1.7 During that time, however, the proportion of all households who are owner-occupiers has risen from 57% in 1982 to 70% in 2006. It is worth noting, however, that the rate of increase in the proportion of owner-occupiers has essentially stopped: it reached 68% in 1991 and has hardly risen since. This is a strong indication that upwards of 30% of the population is quite a long way from being able to buy: the owner-occupation growth curve hit a ceiling in the early 1990's and the economy has not altered for the excluded 30% since then.

A1.8 At the same time, the high rate of price increase has meant that owners have acquired large amounts of equity. Despite this, the proportion of mortgage holders has hardly changed since 1991 (8.2 million in both 1991 and 2006) though the numbers without a mortgage has grown a bit (from 4.8 to 6.4 million households). Even though totals may remain similar, for the mortgage holders, the actual households involved turn over continuously as they go through the family cycle. The proportions with a mortgage are quite high, given the stability of the overall owner-occupation total (13 million in 1991 and 14.6 million in 2006).

A1.9 Combined with the rise in prices, this shows that significant equity has been removed over the years. The SEH provides some useful data on the amounts and where it went:

Figure A1.2 How households used the proceeds from equity release

Property owning households			2005/06
What the withdrawn equity was used for	amount withdrawn		all h/holds that withdrew equity
	<£20k	£20k+	
			percent
To pay off debts	31	28	29
To invest or save	8	17	13
Home improvements/renovations	59	54	56
Buy new goods for the property e.g. carpets/furniture	14	17	15
Help finance another property for self (in UK)	2	10	6
Help finance purchase of another property for self (abroad)	1	4	2
Help finance purchase of property for other family member	1	3	2
Buy a car or other vehicle	12	12	12
Pay for a holiday	7	8	7
Pay for school fees	0	1	1
Pay for university costs	1	2	2
Pay for medical fees/nursing home	0	0	0
To help finance a business	1	5	3
Other	9	11	10

Source: Communities and Local Government Survey of English Housing (SEH)
Note that people often spent the "withdrawn equity" in more than one way. Therefore the percent of households reporting each reason sums to more than 100.

Source: Table 17 Survey of English Housing 2005/2006

A1.10 Some 5% of homeowners (nearly 700,000) remove equity from their property each year. On average they remove £33k. Most of this equity release was for some form of repeat mortgage, which makes sense as newly mortgaged households in general have least equity. About half of the money was used for home improvement. Most of the rest was used for other reasons such as paying off other debt or lifestyle improvements. It is noteworthy that helping other family members to buy is now a noticeable part of the total: about 2% of all withdrawals of equity, and 3% of all those above £20k.

A1.11 The proportion of equity released to assist other family members, normally children, is likely to rise as the costs of entry to the housing market become greater. Our surveys of estate agents commonly show that younger households require some form of equity assistance to buy.

Social renting

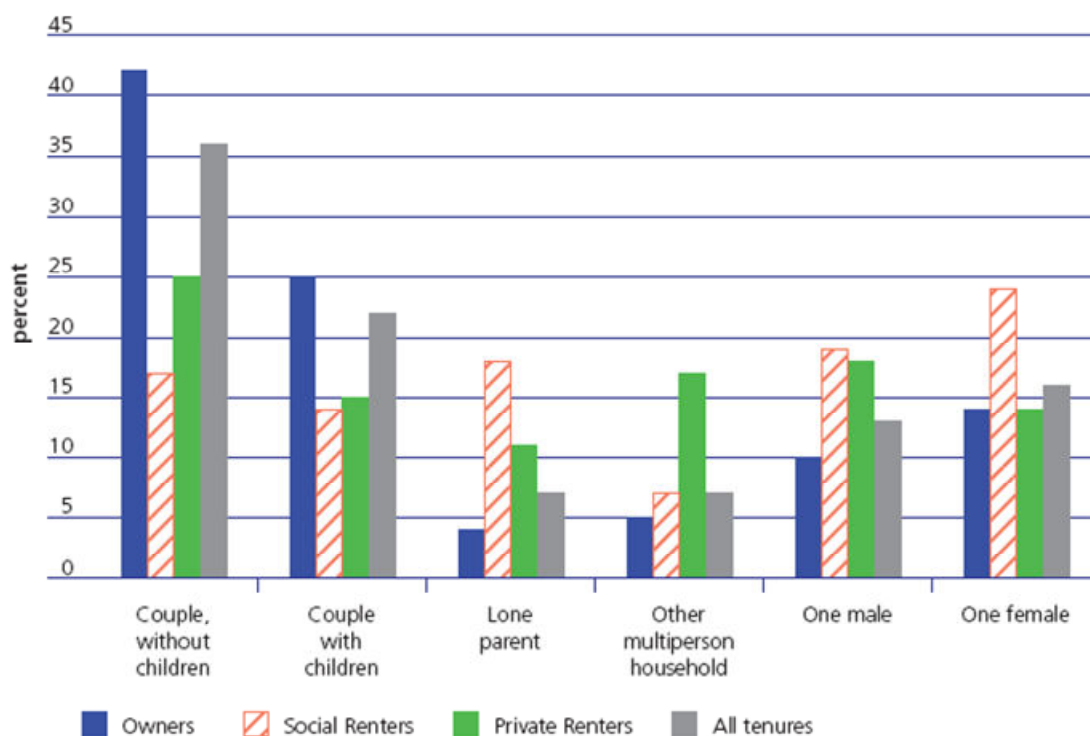
A1.12 Social tenure has fallen from a peak of nearly 5.5 million households in 1981 to about 3.7 million in 2006 (SEH Table 1). A good deal of this reduction is explained by Right To Buy transfers of ownership. There have been less favourable trends for those remaining in social tenure, which are reviewed in the recent study by John Hills *'Ends and Means: the future role of social housing in England'* (CLG 2007). One of the most telling findings of this report is that the proportion of social tenants in employment fell from about half in 1981 to 32% in 2006.

A1.13 Other key features of this report include:

- 80% of those in social tenure were in that sector ten years ago
- 27% of all BME households in England are in social tenure, but only 17% of White households
- 40% of social tenants said that this was their preferred tenure (true of only 8% of private tenants)
- 34% of social tenants were from the poorest fifth of the population, and only 20% are in the top half of the income earning population

A1.14 The following table, from the Hills Report, succinctly summarises the sharp differences between household types in the three main tenures.

Figure A1.3 Household type by tenure, 2006

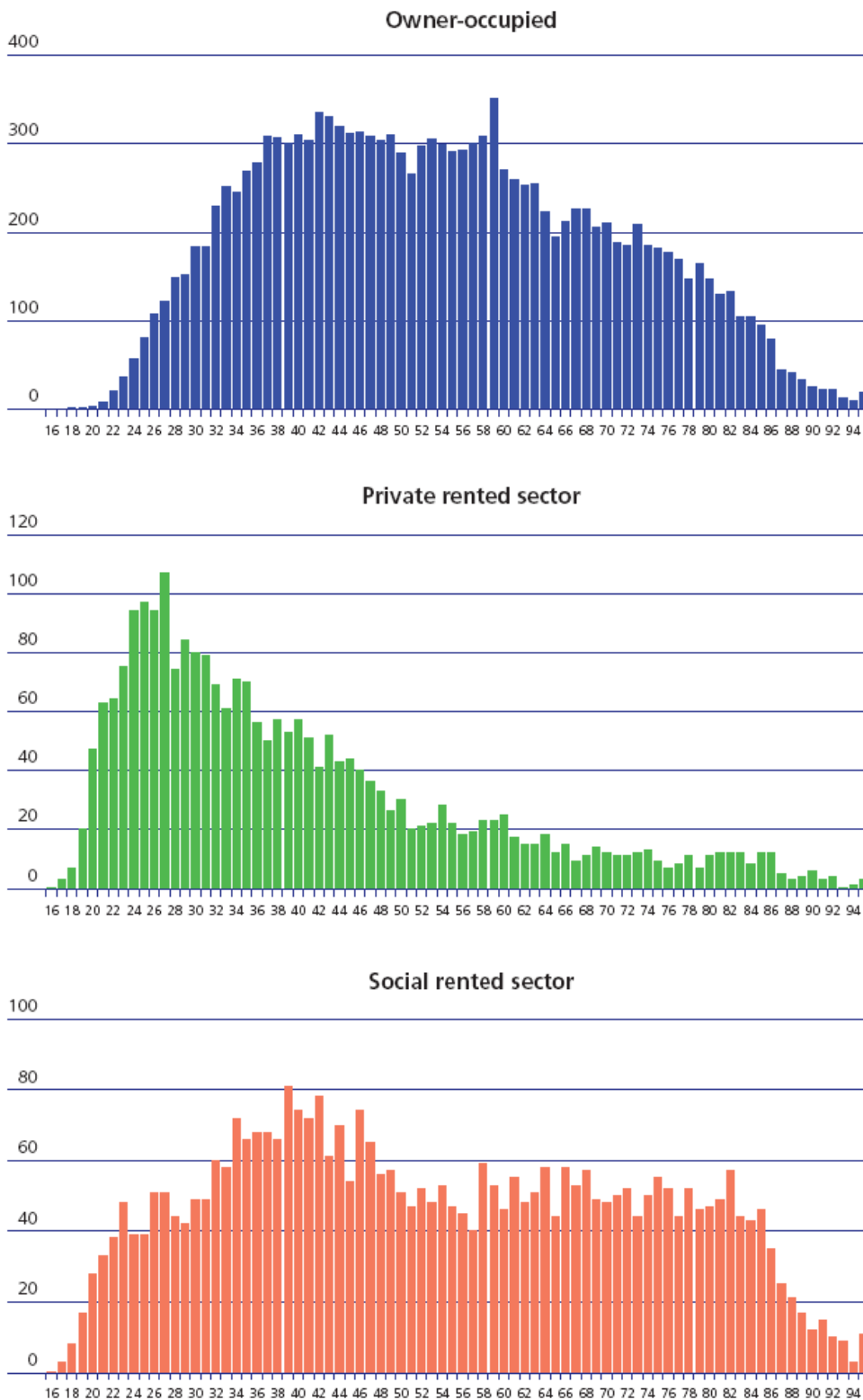


Source: Labour Force Survey.

Source: Figure 5.6 Labour Force Survey

A1.15 In some respects, as demonstrated above, social tenure has become ‘residualised’ for households with the lowest earning capacity. Lone parents are clearly much over-represented. But it is also the case that it has become a place for older households: far more than the average of older persons are found in social tenure:

Figure A1.4 Age of head of household in each tenure, 2006 (000s)



Source: Labour Force Survey.

Source: Figure 5.7 Labour Force Survey

A1.16 As can be seen from these age pyramids, the social rented sector has by far the flattest ‘pyramid’ and one which therefore shows the lowest introduction of younger households at the beginning of the age sequence. It is in fact ‘bimodal’ showing two peaks, the second around retirement age. This is unlike the other two profiles and shows the much higher emphasis on older households typically found in the modern social rented sector.

A1.17 As well as having an older age profile (as noted when comparing tenure profiles above), the social rented sector has a much higher proportion of households with a serious medical condition or disability (over 40%), which is about twice the overall average (Hills Report Figure 5.5). The combined effects of these characteristics, plus the effect of low mobility, are summarised in the employment characteristics of the social rented sector (from the Hills Report again):

Figure A1.5 Employment trends 1981-2005: Employment circumstances of social rented sector household heads (000s)

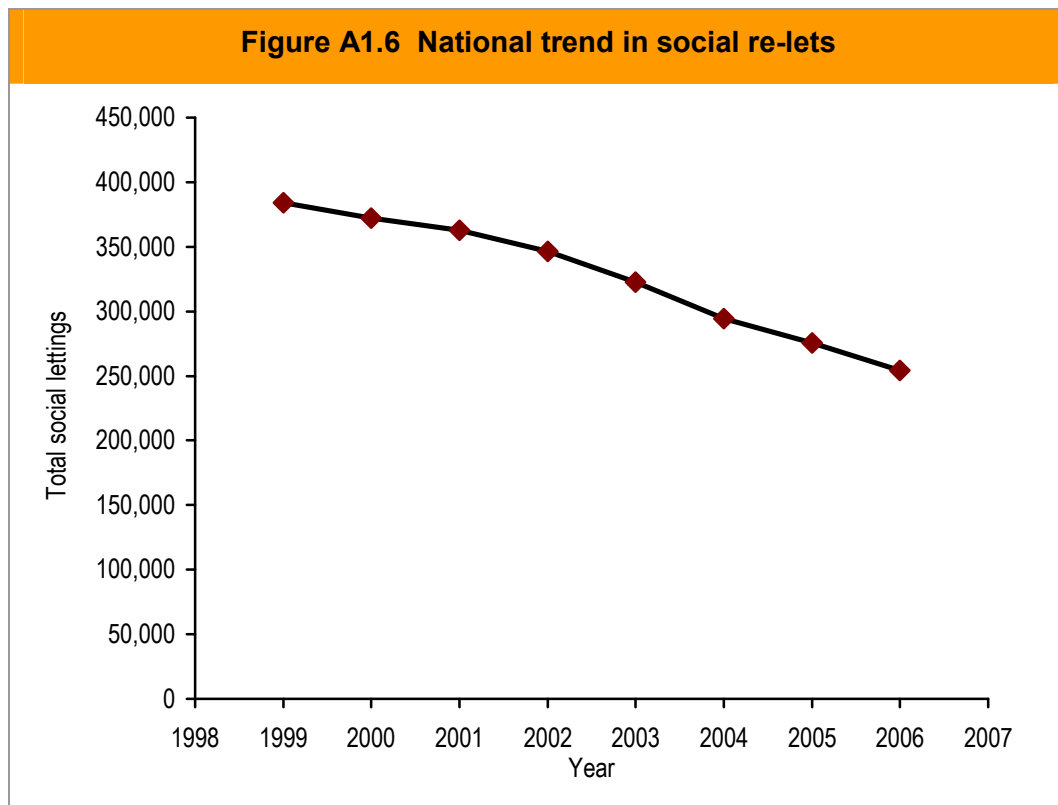
	Full-time work	Part-time work	Unemployed	Retired	Other inactive	Total
1977-78	2710	190	300		1990	5200
1981	2330	220	420	1550	870	5390
1984	1560	230	540	1350	1340	5020
1988	1220	270	470	1810	930	4710
1991	1120	220	430	1790	880	4440
1996	890	260	430	1590	1050	4220
2000-01	970	360	160		2620	4220
2006	810	350	210	1200	1080	3650

Source: Labour Force Survey, revised from table 5.5, S. Monk, et al., *The demand for social rented housing – a review of data services and supporting case study evidence* (Cambridge Centre for Housing and Planning Research, forthcoming).

Source: Table 10.1 Labour Force Survey

A1.18 As can be seen, there is an overall substantial fall in the full-time employed, from over half to less than a quarter, a substantial rise in part-time employment and great proportionate increase in the retired and the workless.

A1.19 There has been a steady decline in social lettings over recent years, much more than proportionate to the decline in the total number of dwellings: social rented dwellings have fallen from about 4.2 million to 3.7 million over the period 1998 to 2006, but the number of annual social re-lets has fallen from about 370,000 to 250,000 over that period. There are complex reasons for this: both good and bad, but the overall effect is to substantially reduce the scope for access to the sector.



Source: HSSA 2007

A1.20 Despite these problems, the Hills report sees a continuing role for social tenure, but makes the point that substantial changes need to be made in it. The level of employment is below what it should be, even after allowing for relevant factors. One of the main reasons for this is low mobility of those in social tenure and another is the steeply rising tax rates that accompany increased earning. The report also argues, plausibly, that the latest changes, which give social tenants more initiative, are a productive direction for development. It would be helpful to social tenants if they had more mobility in every sense.

Private renting

A1.21 This tenure is well recognised to be a varied one, as the quotation implies, but its importance in the market is often overlooked. It plays a pivotal role, as the following evidence will suggest.

CLG Guide

'... the private rented sector is highly stratified in many areas, and the part of it occupied by tenants dependent on benefits may be atypical and/or inappropriate in terms of households requiring long term accommodation of a reasonable standard.' [2000 Guide Section 7.3 (page 96)]

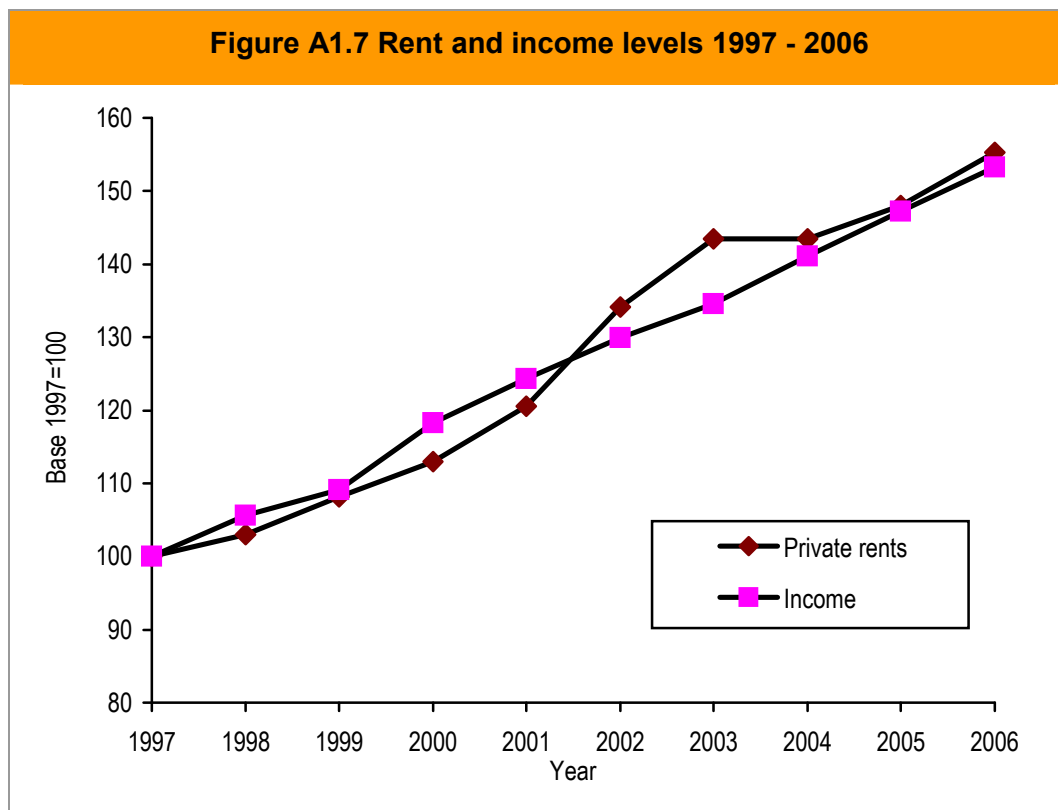
A1.22 In recent times the private rented sector has shown the most surprising trend of all three main tenures: as the SEH diagram shown below (Fig 3.7) demonstrates, it has increased in numbers during the present century, after a century long decline in the face of the growth of owner-occupation. This tenure has not been studied in the same depth as the other two, but its importance in the overall dynamics of the market mean that a separate chapter (Ch 11) has been devoted to it in this study.

A1.23 In recent times the proportion of private tenants has fallen from about 11% (2 million) in 1981 to 9% (1.7 million) in the early 1990's. In the late 1990's it rose to 2 million again (10%) but has risen much more strongly in the present century: from 2 million to nearly 2.5 million in 2006 (over 20%). It is noteworthy that in the period 2001 to 2006:

- The national household total grew by 0.5 million
- The private rented total grew by almost the same (453,000)

A1.24 This, combined with the strikingly young age profile shown in the three tables from the Hills report in the previous sub-section, demonstrates the importance of this sector for the future housing market. This is reinforced by the statistic quoted just above that only 8% of private tenants (compared with 40% of social tenants) are content with their current tenure. There is a strong incentive to move through what is still seen as a transitional tenure.

A1.25 A striking feature of the private rented sector in general is that private rents have increased at almost exactly the same rate as household incomes:



Source: Survey of English Housing and Annual Survey of Hours and Earnings

A1.26 So private rents have remained approximately as affordable as they are now for a long time. Since private rental is, by Government definition, the access point to the market, this leads to the important point that:

- ***Affordability measured as the threshold of the market has not changed during the present century***

A1.27 This is contrary to the general perception, which is driven by the rapid increase in prices rather than rents. This statistic must be moderated by the fact that 60% of private tenants aspire to own. Private renting is mainly a transitional tenure, although the rise in housing market gaps means that it may well become more of a final destination for many households.

A1.28 The SEH statistics suggest (Table 3 of the 2005/6 edition) that 69% of all private tenants have been in their current home for two years or less, compared with 25% of all tenures. The proportion for both owners and social tenants is about 20%.

A1.29 The same source shows that for recent movers about half of the moves (932 out of 1,965, from Table 4) involved the private rented sector. About half of those private rented sector moves were from one private rented dwelling to another: testimony to the insecurity provided by the shorthold system. The poorer private tenants are supported by various forms of subsidy, of which the most relevant for present purposes is Housing Benefit. The following SEH table shows the net weekly payment made by private as opposed to social tenants:

Figure A1.8 Trends in rents paid before and after deduction of Housing Benefit

<i>tenancies receiving Housing Benefit</i>								
Year	Social renters							
	Council		Housing Association		All		Private renters	
	mean	median	mean	median	mean	median	mean	median
Rent¹ before deduction of Housing Benefit								
1993/94	35	33	43	38	36	33	59	50
2002/03	54	50	68	62	58	54	86	75
2003-04	56	52	71	65	61	55	89	78
2004-05	61	54	70	63	64	58	95	85
2005/06 ²	63	56	75	69	68	61	104	87
Rent¹ after deduction of Housing Benefit								
1993/94	6	3	8	0	7	3	9	1
2002/03	9	0	12	0	10	0	17	5
2003-04	9	0	10	0	9	0	18	5
2004-05	9	0	11	0	10	0	23	7
2005/06 ²	9	0	12	0	10	0	22	5

Source: Communities and Local Government Survey of English Housing (SEH)
¹ The rents are based on tenancies receiving Housing Benefit.
² Data for 2005-06 are provisional

Source: Table 13 Survey of English Housing and Annual Survey of Hours and Earnings

A1.30 It is clear that social tenants are often given a full subsidy for housing, but that private tenants still have to find other sources of payment for part of their rent.

A1.31 From the Hills Report (Table 11.3) some 721,000 private renters received HB during 2004/5 which, according to the SEH was made up of some 457 thousand households (bearing in mind that houses in multiple occupation count as one), which is, from Table 1 of the SEH about 19% of all private tenants in 2005. The collected statistics on this sector can be summarised as:

- 60% would like to buy
- 8% are content with the private rented sector as a place to live
- 19% are on Housing Benefit (and therefore could in some ways be seen as more suitably social tenants: they cannot live in market housing without a subsidy). The same may be true if they moved to social rented housing, but that tenure provides security which the private rented sector on shorthold lacks. This is an important factor for more vulnerable (because poorer) households.

A1.32 Of the 40% who have no clear aim of buying, therefore, about half could be viewed as households who qualify for affordable housing and a fraction (8%) are content where they are.

A1.33 It is fairly clear from these statistics that the comment quoted at the start of this sub-section is true: the private rented sector is very varied and highly stratified.. The tenure is crucial to the dynamics of the housing market, and has historically been somewhat overlooked. Hence it is appropriate to give it more detailed attention.

Appendix 2 Stakeholder consultation

Introduction

- A2.1 As noted throughout the report, stakeholder consultation constituted an essential component of the SHMA research process. As part of our methodology a considerable amount of time was spent in the study area. This is essential to gain an understanding of the geography and character of the study area so that the SHMA can properly describe the housing market. Chapter 3 discusses in detail the results of stakeholder consultation undertaken with estate agents and developers during December 2007 and January 2008.
- A2.2 Stakeholder workshops took place in two phases. Phase one was early in the process – January 2008. This phase was designed to understand perceptions of the housing market from a number of perspectives. The scope of ‘perceptions’ included the extent of the housing market and sub-markets, the degree of self-containment from a residential and travel-to-work perspective, sustainability of existing towns and villages and economic, transport and environmental issues impacting on the market. Other key issues are attitudes to housing growth and views about the tenure, size and character of the new housing
- A2.3 All workshops were preceded with a short keynote presentation explaining the purpose of the meeting, the stakeholders’ role and some key information about the characteristics of the housing market. The discussion topics for the first two groups were directed by the stakeholders. A semi-structured topic guide was used to interview participants in the third workshop. All attendees were invited to record an appraisal of the event. The form was also designed to be a further vehicle to capture the issues that people found most interesting and record what they considered to be the key messages that should be passed to the Councils.
- A2.4 Phase two workshops in March 2008, inviting the same group of people, were used to ‘reality check’ the draft report findings and consider policy implications. Following a PowerPoint presentation four small discussion groups were formed, facilitated by officials from each Council.
- A2.5 Some participants felt that there were no surprises in the findings with regards to the situation in the study area. Questions were raised about the impact of second homes and how this will affect the market. Some felt that the housing needs figures for Suffolk Coastal and Babergh are too low, and that more affordable housing is needed in Mid Suffolk. Housing is needed to support local workers, with low income households commuting from urban Ipswich to the countryside for work. It was noted though that it is difficult to predict what size homes people will need. Concern was expressed that Census data used is now quite old.

- A2.6 Electronic newsletters summarising both stakeholder workshops were compiled and circulated to everyone invited to the workshops presenting a further opportunity for stakeholders to express views and raise issues.
- A2.7 The final stages of the stakeholder process took place during June and July 2008. Between 16 June and 25 July 2008 a draft SHMA report and executive summary were posted on Ipswich Borough Council's website. A number of issues papers were also posted on the website with the aim of eliciting comments on the topics of affordable housing and first-time buyers, rural housing, issues for older people, and BME communities. Notification of the public consultation was emailed where possible and posted where necessary. The issues papers was complemented by telephone interviews with people from 'hard to reach' groups and a final stakeholder event that took place on 17 July 2008. This chapter summarises the main findings of the June/July stages of the stakeholder consultation process.
- A2.8 The remainder of this appendix presents the results of the stakeholder process in four sections :

Section 1: Detailed findings of the market survey

Section 2: A detailed account of the stakeholder workshops

Section 3: Results of the final stages of the stakeholder process, June and July 2008

Section 1: Detailed findings of the market survey

- A2.9 The following is an account of detailed findings for each of the main service centres.

Detailed Remarks

Suffolk Coastal District

Felixstowe

- A2.10 Felixstowe has four main characteristics:

- Firstly there is the port which is a major employer
- Secondly a large suburban housing area
- Thirdly there is a town centre
- Fourthly there is a sea facing area of small hotels and residences and tourist facilities

- A2.11 The Port has resulted in some local housing built to support its workers, but agents believed that the local employment and housing market link was weaker now. Instead parts of the town are a retirement destination. Entry level prices were £100k for a two bed flat and £140k for a two bed terraced house. Rents were in the range of £350-£450 pcm. Prices generally were very compressed. Few homes were for sale at over £500k.
- A2.12 Agents reported few EU migrant workers. They also recognised interest from people re-locating from other areas where employers operated in port storage and transport industries. More than one agent noted a link with Manchester.

Martlesham (village) and Martlesham Heath

- A2.13 The village is large with very few services. The Heath is a recent large development themed to reflect the RAF history in the area. It is well laid out and is of colourful and distinctive appearance. Nearby is Adastral Park, the BT Complex and an associated industrial retail and commercial estate. Most local services are found here. The residential area of Martlesham Heath has a small shopping mall including a property shop which was closed during our visit. The housing market is mostly services from Ipswich. Prices ranged from up to £380,000 for a four bedroom detached house.

Woodbridge

- A2.14 This large village had a traditional centre supporting a specialised and up market retail offer. Of particular note was the new retirement development by McCarthy and Stone another development for older people was also under construction. The agent confirmed that many older people came to the area to retire or prepare for their retirement and were downsizing in the process. The distinctive centre is surrounded with a more diverse area of housing.
- A2.15 Entry prices for second-hand housing was £125k for a flat and £160k for a two bedroom terraced house. The various agents in the area service a sub-market covering surrounding villages to the North East and West.

Wickham Market, Saxmundham and Aldeburgh

- A2.16 All settlements were visited and had similar features. They are distinctive market towns and service centres for significant rural sub-markets. There was little interest from investors and there was a high level of self-containment – 60-70% being older local people. Incomers were from Ipswich and Essex rather than London. Agents felt that community spirit was a strong point in these places with active town Councils. (One agent expressed concern that not enough young people were coming into the area to sustain the local schools.)

A2.17 Saxmundham agents felt that self-containment was less here (50%), because of recent newbuilding and the rail link. Although entry level prices were weaker here than in the other towns.

A2.18 There were some second home owners in Aldeburgh.

Framlingham

A2.19 The college is a dominant building on the outskirts of the town but agents said that it had little impact on the town's housing market. Second homes were not a major factor either as a consequence of the college.

A2.20 The agent estimated that 50% of transactions were from newcomers, with 30% of newcomers from Essex. People also came for retirement and an element of second homes.

A2.21 The rental market had been strong for a long time and continued to be so due to affordability problems. Rents started at £500 pcm for two bedrooms and £600 for three bedrooms.

A2.22 Prices for sale were the highest in Suffolk Coastal on average.

Leiston

A2.23 The most important factor here is the Nuclear Power station. Specialists get good accommodation allowances and many local people are employed there. The agent thought that a new power station would be built here and that would flood the town with construction workers. Otherwise local people stayed and the self-containment factor was thought to be 80%. Buy to let of cheaper property is strong although purchase prices were cheaper than the surrounding area, starting from £92k for a one-bedroom converted flat to £129k for a two-bedroom house. This is part of a sub-market that includes Aldeburgh and Saxmundham.

The Borough of Ipswich

A2.24 This is the County Town of Suffolk. It is a major force in the sub-regional economy and this has an impact upon its housing market.

A2.25 For example, BT and other employers employ workers from other countries, notably India, and bring them to the area on secondment. Employees bring their families in some cases. Medical staff also create significant demand for rented and owner-occupied housing in the eastern and southern quarters.

A2.26 There are four distinct quarters or sub-markets:

- i) The Southern quarter including the town centre and the marina which is seeing a transformation with new building. In addition to apartments there is retail development, an iconic new university building and cultural building in the form of theatre and dance.
- ii) The Eastern quarter reaches into Suffolk Coastal District. This is a suburban residential area with local service centres. The town's district general hospital is located here and the local schools are highly regarded.
- iii) The Northern quarter including some of the northern part of the town centre. This is an area of older, larger houses, some of which are occupied by older people.
- iv) The Western quarter surrounds the railway station, several retail parks and a great deal of older terraced housing and social housing. There is also a large scale new development of apartments on a riverside setting.

A2.27 All agents remarked on the growth of the private rented sector and the buoyant demand for it. This takes two forms: the apartment market and older second-hand housing. Entry level asking prices for second-hand houses and new apartments after incentives are taken into account are comparable at £125 - £135k. Agents believe that there is little competition between them as they are sought by different groups of people.

A2.28 Extended interviews were undertaken with developers in different locations:

- The Marina
- Ranelagh Road
- East Ipswich

A2.29 In the marina area a developer and two agents were interviewed. Agents in the second-hand market were offering apartments at £400 - £450 (one bedroom) and £450 - £500 (two bedroom). They said that although there was a good supply there were plenty of customers, who had a great deal to choose from in terms of location, view, size and specification. The agents believed that around 25% of the apartment market was rented and that the vast majority of residents were local people. One agent felt that there would be no price crash but possibly a 10% adjustment.

A2.30 Fairview homes were interviewed at length in the Modus development. They reported 50% of sales were to investors and had produced marketing information for them. The 300 unit development had affordable housing and housing for the over 55s for sale. Prices were typically £140k-£150k for a two bedroom apartment. A £10k incentive was currently available. Sales were reported to be slow.

A2.31 There had been considerable interest in a small number of town houses by investors thinking about the student market.

A2.32 Fairview homes were also offering new homes in the Ranelagh Road 'Voyage' development. The incentive package was the same but asking prices were lower than the marina development at £135k. The agent said that interest was from developers and first-time buyers. There was interest in the development also because it was close to the mainline railway station.

A2.33 The Foxgrove (Barratt Homes) development was visited in East Ipswich. Apartment asking prices were comparable to the Modus development. The agent reported that 90% of sales had been to investors. Subsequent lettings had nearly all been to local people. A small number of town houses were also offered for sale from £220k.

Mid Suffolk District

A2.34 The character of this district is distinctly rural. Most settlements are small villages.

A2.35 Towns visited were Stowmarket, Needham Market and Eye, being the principal service centres. There was some evidence of relocation and commuting back to towns such as Diss and Bury St Edmunds. Agents said that there is always interest from Ipswich residents seeking a better offer.

A2.36 Eye showed the highest prices in the District.

Needham Market

A2.37 This is a larger town that has seen significant growth in the last decade. One agent was concerned that recent developments had not been in keeping with the character of the town and sales had suffered accordingly.

A2.38 This towns market was felt to be largely (70%) self-contained with some incomers from Ipswich and to a lesser extent Bury St Edmunds. There is little interest from investors. Prices started at £95k for a small flat to £138k for a two bedroom terraced house.

Stowmarket

A2.39 This is a large town to the North of the district. Prices were reported to be cheaper than in Bury St Edmunds and this was reflected in the migration from there into Stowmarket. There is significant employment here with Bosch and ICI.

A2.40 Prices and rents are comparable to Ipswich. The most interesting feature of the market was new development at the Creeting. This is of particular interest given the planned growth of new housing in the sub-region.

- A2.41 Here a number of developers are building a variety of new homes in several phases. Persimmon were offering a range of homes from two-bedroom apartments at £158k to four-bedroom homes at £260k.
- A2.42 Crest offered different sizes and specifications at £125 - £290k.
- A2.43 The majority of interest was from local people, with 25% incomers mostly from Bury St Edmunds, London and Ipswich.
- A2.44 Agents reported the apartment market was very slow and one company was considering introducing its own shared equity product to help sales.

Claydon

- A2.45 This is a large linear village near to Ipswich. However its sub-market was for the town and the surrounding villages, with 75% of transactions coming from people moving within the sub-market. The remainder came from Ipswich and only 10% outside the County. The area houses commuters with around 80% travelling by road to Ipswich or Felixstowe.
- A2.46 Agents believed that schools and the road network were key advantages. One agent felt that the town could expand, but that it is held back with slow and inconsistent planning decisions.
- A2.47 Entry level prices were comparable to Ipswich and other parts of the district except in Eye.

Eye

- A2.48 Eye showed the highest prices. The agent felt that this was due to easy connection to the main line at Diss in Norfolk. This town has seen modest growth in the last few years. Current development is for older people. The agent said that 80% of transactions were from in-comers, both active commuters and retirees. The town had its own secondary school and the quality of life is said to be exceptional. This is not as yet reflected in local house prices.

Babergh District

- A2.49 The rural nature of the district meant that it was only possible to conduct the survey in two towns.

Sudbury

- A2.50 This is a very attractive and busy service centre offering a good range of high quality retail and services. There is some local employment in food and manufacturing. Discussions with agents and developers were particularly interesting.

- A2.51 Both agreed that the maximum price that could be afforded by local people was no more than £180k. Agents were clear that the second-hand market was in two segments - above and below this figure.
- A2.52 It was noted that both prices and rentals were higher here than most other parts of the study area. Agents believed that this was entirely due to the fact that it was a desirable and upcoming location with rail links to London – even though the link is indirect. Entry level purchase was £150k for two-bedroom terraced housing and rents £600 pcm unfurnished.
- A2.53 Agents also explained that the sub-market was large – up to ten miles in some directions due to the rural nature of the area outside the town.
- A2.54 One national agent was advertising “Homewise’ – significant discounts for older people’. This was an advanced version of equity share for over 60s wishing to move. The agent reported a great deal of interest in this scheme which his company had first introduced in the South West.
- A2.55 Two developments were visited. Both were currently developing property over the £180k threshold. Catesby Meadow had most interest coming from better off local people. The Priory additionally had some interest from people living in Colchester. National advertising has resulted in interest from many parts of the country.
- A2.56 The next phase of The Priory would be smaller flats and apartments that would be more in tune with local affordability. The current phase had 42 units of affordable housing (Suffolk Housing Association) – with some shared equity.

Hadleigh

- A2.57 Key features of this town were the historic appearance and riverside. The origin of the town was to support the wool industry and is now the base of the District Council. The agent explained that there were more listed buildings here per person than any other town. He said it was impossible to put a premium on this as ‘tudor’ properties varied considerably in terms of size and quality of restoration and condition.
- A2.58 There were also significant estates of family quarters for RAF personnel. There was little crossover with the housing market here as there was no economic incentive to do so.
- A2.59 Transactions were 50/50 locals and incomers. Entry level purchase was £150k for two bedroom terraced housing and rents £600 pcm unfurnished. There was little interest from investors in the second-hand market. A limited number of small apartments were on offer at £125k, but this is not a large feature of the market.

A2.60 Other towns were visited but interviews did not take place. At Glemsford we observed a large village with a traditional centre and village green with some fine old listed buildings. Given its size there was a notable lack of services, probably explained by its proximity to Sudbury. The housing market is serviced from Sudbury. En route and by contrast we found Long Melford to have more shops and services yet this was closer to Sudbury and was apparently smaller than Glemsford.

Section 2: A detailed account of the stakeholder workshops

A2.61 There were two phases. Phase one was early in the process – January 2008. Workshops were held to understand and test perceptions of the housing market and the challenges it presents from the point of view of stakeholders.

A2.62 Phase two in March 2008 was used to reality check draft report findings and consider policy implications.

Method phase one

A2.63 This phase was designed to understand perceptions of the housing market from a number of viewpoints. The scope of ‘perceptions’ included the extent of the housing market and sub-markets, the degree of self-containment from a residential and travel-to-work stance, sustainability of existing towns and villages and economic, transport and environmental issues impacting on the market. Other key issues are attitudes to housing growth and views about the tenure, size and character of the new housing.

A2.64 Some of the key perceptions and issues were then revisited in the quantitative phase of the study.

A2.65 Separate workshops were held for stakeholders, District and Borough Council elected members and residents. Further stakeholder interviews were undertaken on a one-to-one basis to follow up on issues raised during workshops and to ensure that an appropriate cross-section of stakeholder interests was covered.

A2.66 All workshops were preceded with a short presentation explaining the purpose of the meeting, the stakeholders’ role and some key information about the characteristics of the housing market.

A2.67 The discussion topics for the first two groups were directed by the stakeholders. A semi-structured topic guide was used to interview participants in the third workshop.

A2.68 All attendees were invited to record an appraisal of the event. The form was also designed to be a further vehicle to capture the issues that people found most interesting and record what they considered to be the key messages that should be passed to the Councils.

Method phase two

A2.69 Workshops were held to present the draft findings of the study and ask attendees to reality check findings.

Reporting

A2.70 An electronic newsletter summarising the workshop events in both phases was compiled and circulated to everyone invited to the workshops, presenting a further opportunity for stakeholders to express views and raise issues.

A2.71 An account of all workshops and meetings follows. The account covers the essence of the discussion and the key messages that were recorded on appraisal sheets.

A2.72 All of the above is in addition to periodic meetings with the project steering group.

Phase one professional, public and voluntary sector stakeholders

A2.73 A range of stakeholders were invited to and participated in the first workshop event. This included developers, housing, planning and other local authority officers, RSLs, an estate agent, a local water authority, members of the voluntary sector representing rural housing enablers, Ipswich Citizens Advice Bureau and single young people.

A2.74 The focus of this workshop was to gain a fuller understanding of the housing market in relation to neighbouring markets, what was driving the market and the range of public, private and voluntary sector policy and delivery issues.

A2.75 The facilitator presented the study area as one housing market with character sub-markets. This was not disputed nor was an alternative proposed.

A2.76 Developer(s) did query as to whether housing development could not be left to them as they understand market need (based on demographics) and feel that they have been getting it right in the past, wanting to get it right so that they can remain in business.

A2.77 Although developers do have some understanding, it is of their markets while the Councils have the responsibility of planning to respond to all markets and needs. It was argued that the newbuild and second-hand housing markets are meeting the needs of different people. Housing and planning officers need to separate the two. Local authorities also have wider service provision responsibilities than housing to consider. They must also consider not only the current demographics of the study area, but in-migrants.

- A2.78 One developer did suggest that although developers have to publicly maintain a sale price for newbuild properties, deals are carried out privately that reduce this price. For instance, giving buyers cash back or paying their mortgage for a few years. The facilitator did note that at the Marina development in Ipswich there was an offer for £10K flexible cash back or mortgage payments for buyers from the developer.
- A2.79 The point was also raised by the facilitator that local residents in Sudbury (Babergh District) cannot afford to buy above £180K, but that new developments are selling at more than £280K. However, one developer claimed that they were selling new properties in Sudbury, as well as in Ipswich, for £180K.
- A2.80 Those incoming to rural parts of the study area can afford more than local residents, so newbuild prices are aimed at those new to the area, while the Ipswich Policy Area is cheaper.
- A2.81 One developer commented that whereas previously four starter homes could be bought for the price of one four or five bed executive home, only three starter homes could now be bought for the same price. This was considered to be because of the demand from young first-time buyers and buy-to-let investors increasing the prices. Students, or perhaps more likely their parents, are also thought to be buying these houses. It was suggested that these larger homes are therefore becoming more affordable, and that with those living in apartments who then have children and want to move out to suburbs or more rural areas, demand for these types of properties will follow.
- A2.82 Although it was felt that local authorities cannot do much about the private rented sector, other than their involvement with the private landlords forum and accreditation schemes, they do need to understand who is being served by this sector and who is not. Local Authorities need to mediate between all parts of the community, whatever their tenure, and whether locals or incomers to foster sustainable communities.
- A2.83 While the private rented sector is perceived to be buoyant, a problem was identified in that it is not sustainable and does not offer its tenants security. It was noted that in Babergh District as many tenants rent in the private rented sector as do in the social rented sector. Concerns were raised that when the market does pick up, private landlords will sell their properties to realise their assets. This may assist those wanting to buy, but cause difficulties for those reliant on the private rented sector.
- A2.84 To foster growth in the study area, local authority planners have to mediate between developers, RSLs and public aspirations to appropriately allocate land for development, as well as other infrastructure and services.

- A2.85 Stakeholders expressed an interest in understanding through the SHMA the different impacts of building 15,000 apartments or 15,000 four bed houses in Ipswich. It was also of interest to see information of population projections by age for Ipswich and the study area as a whole.
- A2.86 Developers urged the Councils to plan and implement flood relief schemes, to avoid the catastrophes experienced in Gloucestershire last year. It was acknowledged that a huge investment was required, but that building without these in place could potentially lead to similar experiences in the study area.
- A2.87 It was suggested that developers are struggling to sell properties at the Waterfront schemes, as some investors may see it as more beneficial to lose their deposit rather than buy the completed property which they have to rent at a lower rate. Investors buying these properties are competing with each other on rents and subsequently driving down private rent levels. While this was perceived as good for tenants, it may reduce investor interest in buying the properties. Developers suggested caution regarding more permissions for developing two bed flats in Ipswich.
- A2.88 Ipswich was seen as a more affordable area in the study area, with first-time buyers more likely to buy second-hand housing than newbuild homes. It was noted that you can buy a three bed terraced house ten minutes from the Waterfront which is much cheaper than a two bed apartment there which has a premium attached due to its location.
- A2.89 Developers commented that the house building targets set in the Draft East of England Plan are a minimum, though they are set by those making house building decisions.
- A2.90 A significant point was made that some stakeholders, and the general public, may not always realise. This is that residential schemes, whether for market sale or affordable housing, can take ten or more years to complete if large sites. A development given as an example in Stowmarket, with 1,800 properties currently in phased development, was planned in the 1980s. This raised a particular question to RSLs, that schemes agreed now might not be available to residents until 2018, so they also need to focus on how to address current housing shortages.
- A2.91 It was noted that people in their 50s and 60s are coming to live in the study area, especially retiring to villages and rural settlements, and those already living there want to remain as they become older and frailer. Older people were also considered to have an interest in apartments, especially those with good views and within easy walking distance of town centres. This did raise an important point about the strain on health and support services required now and in the future, together with a generally aging already resident older population. Suffolk Primary Care Trust requested to be made aware of planned development for older people, or that which is expected to attract them, as this will have a direct impact on their service provision for older incomers.

- A2.92 As the university based in Ipswich is set to expand, there was particular interest amongst stakeholders as to how this would impact on young people coming to live in the area while they study. A subsequent impact will be not only the current situation but the impact on housing and services of those who remain in Ipswich or surrounding areas once leaving university. Stakeholders were not aware of the development progress on the university campus car park site. How student housing interacts with the rest of the housing market in Ipswich financially and socially will be a challenge.
- A2.93 To a certain extent academic institutions and Ipswich Borough Council are looking to the private rented sector to help accommodate the growing student population. It was noted that in September 2007 approximately 50 terraced houses were rented to students in Ipswich. A caution was raised to monitor the situation so that no particular area develops into a student only enclave. While the development of around 2,500 bed spaces are to be discussed for students at some stage, it was not expected that all of these would necessarily be achieved.
- A2.94 Young people were not only a consideration as first-time buyers or students. Particular concerns were raised about the lack of suitable housing for vulnerable single young people including care leavers. Young care leavers need to be housed at 18 but there are concerns for their welfare as this is not felt to be taking place.
- A2.95 Eastern European migrant workers were thought to be living in bedsits in Felixstowe and rural areas. Generally it was thought that the study area did not have an especially large migrant worker population. Stakeholders commented that Indian migrant workers at BT's Adastral Park are being housed in executive homes, a similar situation as that occurring in Colchester.
- A2.96 The point was raised that extended families require large affordable properties to rent, though it was not felt that this comes into the wider considerations for affordable housing. It was noted that young people wanting to stay at home but where there is no separate room for them then require a separate property. If there was initially a larger property they could remain with their family which would only require one property.
- A2.97 With regard to the SHMA report itself, it was emphasised that significant and relevant issues should be flagged but should not set policies. This will come with the use of the SHMA as one informative evidence base in a wider process. Emphasis was also placed on the importance of involving developers and stakeholders in a wider partnership process where planning decisions are to be made.
- A2.98 Key messages from written feedback supplied by a range of stakeholders were:
- Provide information on affordable housing targets for each Local Authority in the study area, followed up by recommendations as to how these will be applied to LDFs

- Affordability in rural areas issues, including a need for more affordable housing to rent
- Sustainability of the private rented sector and reluctance to let to those on housing benefit
- There needs to be a range of affordable and market homes, including bungalows, for older people, in both rural and urban areas
- Lack of single person housing available through Councils and RSLs
- To meet strategic housing requirements a balanced approach towards brownfield and greenfield, as well as high and low density planning and development is needed
- Involve PCTs at the earliest opportunity so that they can plan to provide care for potential patients, especially in-migrating older people
- Consideration should be given to affordable and market housing to meet need and demand
- Look at the impact of flood risk in future planning and development
- There is insufficient housing for ex-offenders with mental health disorders
- Concern for migrant workers and refugees regarding housing
- Ensure involvement of stakeholders throughout the SHMA process and beyond

Phase one elected members

A2.99 Elected members from all four Councils were invited to attend a workshop. Unfortunately no members from Suffolk Coastal District Council were able to attend on the day (although one member from Suffolk Coastal District Council did attend the second stakeholder workshop undertaken in March 2008). It was explained to the participants that the SHMA will inform the Councils' Local Development Frameworks, providing robust information regarding household projections and types of need and demand. These will then need to be balanced with priorities and resources.

A2.100 The point was raised that while the Councils in the study area need to work together to achieve growth because Ipswich is nearly full, it should be explored whether some of these are second homes. There was also interest in understanding that if as many homes as the RSS target suggests need to be built, what type are required and over what timeline would they be developed, particularly if any are to use greenfield sites in rural areas.

A2.101 Second homes in rural areas were considered to be having a wide ranging affect on village sustainability and whether properties could be afforded by local young people, the consensus being that they could not as the purchase and development of second homes was increasing local prices. Another significant impact of second homes though is that they may be empty during the week or owned by older people, which together with younger people having to move out of villages is contributing to the decline of village schools.

- A2.102 Interest was expressed in the buy-to-let market and gaining an understanding of how far investors are driving the market. Related to this, concerns were raised that families were losing out to investors buying properties for capital growth and rental returns. Where buy-to-let properties are rented out by the room, it was thought that students are competing with migrant workers for accommodation.
- A2.103 Discussion turned to the expansion of University Campus Suffolk and how in the past young people have been leaving the town, but that it was hoped with this expansion that the trend would be reversed or at least stemmed. It would be useful to consider how more new families forming in the next 20 years will impact housing need and demand.
- A2.104 Concerns were raised that Shared Ownership housing schemes were not necessarily affordable, particularly in rural areas. In contrast however, housing in Ipswich may be cheaper than a Shared Ownership scheme which would make the latter unattractive. Where it has been successful, it was thought that traditional rather than web based marketing had been more effective.
- A2.105 Affordable housing was also felt to be in danger of being compromised where legitimate brownfield sites were used but the costs of development were increased because of the land decontamination costs involved. This would then contribute to development of more apartments, high density dwellings and small units to recover development costs.
- A2.106 It was suggested that the projection of need for housing is vastly under-estimated, contributed to by the growing rent-buy gap. As such the way to get round this inability to buy was thought to be to build more housing. However, in particular for first-time buyers, this may be problematic as the purchase of a property does not rest only on what they can afford, but the amount of equity a purchaser has from their currently owned property.
- A2.107 An example was noted though of a landowner in Suffolk Coastal who had sold land to a housing association stipulating that the affordable housing be accessed by local people. This is useful but to a certain extent limiting as some of need and demand stems from incomers, who may be contributing to the economic growth of the area through their employment or other services and do need somewhere to live. This example was considered to be a rarity, however, as it was noted that some wards in rural areas have established a need for affordable housing but cannot secure land for development below market value.

A2.108 Affordable housing concerns are not restricted to purchase or shared purchase, but to the need for reasonable rents, whether private or the availability of social rented housing. Concerns were raised that previously social renting tenants who had purchased their home under the Right-to-Buy could not maintain payments and therefore once again are reliant on social rented housing. The lack of social housing, in some cases at all, in some villages was seen as a particular issue. One member did mention that large scale social housing had been developed in Ipswich in the 1950s for local people, so why not again. However, it was considered that this may have been part of the London slum clearance rather than a response to a local need.

A2.109 As with the stakeholder discussion, the aging population and suitable housing for older people in the study area was raised as an issue. It was felt that some older people, to an extent based on personal awareness, would like to move into apartments, not sheltered schemes, but that they could not afford it. It was acknowledged that those able to release a good amount of equity from their current home, and so even without an income, might be able to afford to do so. This interest was largely limited to those participating from Ipswich Borough Council.

A2.110 It was also felt that developers are not tailoring properties to older people specifically, which in the current and increasing population change would be useful. However, it is important to note that many older people do not want to move or downsize when they may need more assistance. This impact on housing adaptations and support to remain independent in their own homes is an important consideration of the housing market as a whole, sustaining communities and quality of life.

A2.111 Key messages from written feedback were:

- Affordability issues and what implications this has for future social housing
- Should there be more housing for rent rather than shared ownership
- Small development sites of eight to ten houses in villages where a need has been established
- Ipswich should be treated as separate to the rest of Suffolk. Housing to assist Ipswich will need to be developed within a sustainable travel distance for work
- Impact of second homes on sustaining rural communities
- Aging population and a range of accommodation needs to be developed for it
- Accommodation for men in their 40s and 50s, particularly after family separation

Phase one community consultation

A2.112 In the absence of Citizens Panels in the majority of the local authorities through which to access a range of local residents to discuss their opinions and experiences of the housing market and more generally living in the study area, a different approach was taken. Over 80 people registered on affordable housing waiting lists were invited to take part in this event, though unfortunately only two attended. Several representatives from ethnic minority organisations were also invited, but it is suspected that due to a lack of resources they were unable to participate. A representative from ISCRE was able to attend, and consultations were later carried out with various organisations on a one-to-one basis to ensure a wider perspective. What follows are summaries of the discussions held at the first community consultation event.

Young couple

A2.113 A young couple living in Suffolk Coastal District on the border with Ipswich are privately renting, but are keen to buy a two bed house. While one member was born in a village in Babergh District and would like to return to live in a rural area, they are looking to buy in Ipswich because of the cheaper housing available. A sense of community, cheaper council tax in Suffolk Coastal and a good recycling system in Babergh District were all draws to living in more rural areas. Transport and the centrality of living on the edge of Ipswich town centre within walking distance of facilities were thought to have some benefits.

A2.114 They were not keen to live in an apartment, including those at the Waterfront in Ipswich, as they were felt to be small, lack secure parking facilities (which was required for work), and did not like the look of them. They also had concerns that the development of the university near by would reduce the value of an apartment were they to buy one.

A2.115 It was noted that housing at a price that they could afford was available in Ipswich, but that it was not located quite where they would like to buy or had appropriate parking. They had also lost out to investor buyers at a property in which they were interested. Shared ownership or equity was not thought to be a suitable option, as it was likely to be expensive. They also considered that they would have little or no choice as to where the property would be located, and that they might only be offered a one bedroom flat. There was also the concern that the property would be difficult to sell on.

A2.116 It was their opinion that although they would prefer to buy a second-hand market home, that more new housing is needed. If this it to be built, it was suggested that several houses across a number of villages would be better than large estates. Important consideration also needs to be given to developing on flood plains and that if or when this does occur sufficient defences are part of the process.

A2.117 Shortly after this discussion we were informed that the couple had actually managed to have an offer accepted on a two bed house on the estate where they were currently renting in Suffolk Coastal, which was felt to meet their needs perfectly. They expected to move in the next few months.

Phase two reporting

A2.118 In March 2008, the same group of people were invited back to consider draft report findings and policy implications.

A2.119 Following a PowerPoint presentation four small discussion groups were formed facilitated by officials from each council. Issues raised by each group were as follows:

Reality checking the findings

A2.120 Some participants felt that there were no surprises in the findings with regards to the situation in the study area. Questions were raised about the impact of second homes and how this will affect the market. Some felt that the housing needs figures for Suffolk Coastal and Babergh are too low, and that more affordable housing is needed in Mid Suffolk. Housing is needed to support local workers, with low income households commuting from urban Ipswich to the countryside for work. It was noted though that it is difficult to predict what size homes people will need. Concern was expressed that Census data used is now quite old.

Deliverability

A2.121 A diverse approach is needed to provide mixed housing development. Policy was sometimes felt to be a barrier to development. Availability of appropriate sites can be a problem, particularly in Mid Suffolk. It was felt that rural land values for residential development are too low and that policies need to be introduced to bring forward sites. It was also emphasised that a good balance should be achieved between in and out of town development. With regard to delivering affordable housing, some noted the need for 35%-40% affordable housing, whilst others raised doubts of a 40% target across the board. Contradictory perspectives were expressed in that while some argued for the enlargement of smaller units, others argued for the restriction of building extensions to increase the number of bedrooms in a property. It was felt that developers build what they can sell, which may not be what is needed. Infrastructure is considered essential in the provision of any new housing.

Relationship between Councils

A2.122 Participants urged the study area Councils to strive towards joint delivery and that policy makers should talk to planners, within authorities and sub-regionally. However, some argued that they did not want Ipswich to join with neighbouring towns and that development should be within the Ipswich Policy Area boundaries. It was argued that there should be a push for change to planning policies in relation to sustainability. Areas such as employment, travel for education, health and entertainment were thought to be cross-boundary. Older people however were thought to want to remain in their own villages, in particular, as they grow older. Whether still remaining in their local area, it was thought that older people are under-occupying social housing and that the incentive to move should be increased, but that more suitable units are needed for them to move into.

Vulnerable groups

A2.123 Participants commented that marginalised single people gravitate to Ipswich as a service centre which generates move on needs, requiring early involvement from healthcare professionals. In discussion of sheltered accommodation it was felt that there is too much of it and many units are empty. Older people prefer to stay in their family home if they can with adaptations being carried out to assist this. Under-occupancy is not a particular concern, and staying put retains connections with family, friends and community. Grants and loans may be required to help people stay in their homes though. Lifetime homes and flexible housing were considered as options, not just for older people. Concerns were raised about affordability of separate homes when relationships breakdown, and homeless households. It was thought that more information is required on BME needs, and that many groups, including those with learning disabilities, are not being catered for in terms of suitable housing.

Section 3: Results of the final stages of the stakeholder process

Discussion of main findings

Housing supply and first-time buyers

- A2.124 The number and type of the future housing supply within the study area, as well as the impact of the recent credit crunch, were key topics for discussion at the stakeholder workshop. One important issue reflected both by people attending the workshop and by interviews previously undertaken with developers, was that there had recently been an over-supply of apartments within Ipswich town-centre. One developer asked whether the increase in the supply of apartments reflected an increase in demand from smaller households. The response by the research consultant was that Government Guidance defines household size in terms of occupancy, so a couple without children would be expected to occupy a one-bed property.
- A2.125 However, it was acknowledged that people's expectations (e.g. an additional bedroom for use as a spare bedroom or study) may differ from their housing needs. As such, housing demand does not always equate to housing need as people have aspirations (i.e. their demand may be greater than need) or housing affordability may limit options (i.e. the available housing may not meet their housing needs). According to one elected member, many apartments are problematic because they often do not have elevators and so are not always suitable for older people or people with disabilities.
- A2.126 A second important issue regarded the recent increase in demand for private rented sector properties and a subsequent increased supply of apartments through buy-to-let investors. One elected member questioned as to whether the boom in the private rented sector reported, when interviews were undertaken with estate agents and developers (December 2007/January 2008), was continuing. According to developers, there is a strong demand for lettings but little demand for flats. Also, between 70%-80% of the invest-to-let market has recently disappeared: *"this means that high density, brownfield sites will become unviable [because they cannot achieve values in excess of existing use values] and will not be brought forward. This will not change for some time. The only way to achieve housing targets in the short term will be via greenfield sites"*.
- A2.127 Similarly, developers agreed that it will be important to look for considerable flexibility and choice in the sites available for housing development. One developer stated that it is not obvious which sites will come forward first: *"The credit crunch will start to knock out sites already in the planning process where land has been bought at high value, so even when the market starts to pick up some pipeline schemes may still be unviable. Local authorities need to take a long-term view, and greenfield sites in 15-year plans may need to be brought forward with brownfield sites held back for when the market picks up. This will need clever management and a flexible approach to land release and existing permissions"*.

- A2.128 One developer stated that the credit crunch will impact on land supplies over the next five years. The developer continued by stating that the effect of this will be 'devastating' unless institutions respond immediately. They argued that the impact of the credit crunch in 2009 will be worse than in 2008 as builders have already forward sold for 2008. As such, this will impact heavily on the 5-year supply, with little or no supply coming through whilst problems resulting from changes in land value will impact on land coming through. They further stated that some small, niche builders in the study area had already gone bust.
- A2.129 Another point was that some strategic sites were agreed during a strong market and it might take some years before the land can be brought forward for development. It is likely to take three or four years to return to a buoyant market with a significant deficit in land supply for the next four years. Finally, one stakeholder stated that until the housing market improves some developers will have no option but to pay interest on sites and let the land sit there. However, it was argued by one developer that sites already under construction are likely to be completed as there are severe financial implications for not doing so, although sites allocated for development but not started may be suspended.
- A2.130 A third important issue discussed was the extent to which the current adverse economic conditions may impact on the supply of affordable housing. It was agreed by stakeholders that the main reason for the current downturn in the housing market was decreased liquidity i.e. people have less access to financial products such as mortgages and loans.
- A2.131 One elected member noted that although house prices have decreased, the cost of buying a house has not. He continued by stating that more people now need a deposit; although this is actually a return to the financial conditions related to mortgages around 20 years ago. Further, it is the size of the deposits required that is affecting people's ability to move (i.e. they have become larger). Finally, he said that *"...when the market crashed 10 years or so ago, the problem was high interest rates, but this time interest rates will not go up although it may take longer to come out of this housing slump – it depends on the lenders"*.
- A2.132 There was some concern by a stakeholder working in the voluntary sector that the current housing problems may lead to a homelessness crisis and that this should be noted in the report. Further, they argued that current falling house prices are an opportunity *"...to [have] a clear out of the system. Prices are dropping and perhaps we will achieve a more sustainable housing market instead of one that is profit led. Land prices are absurdly high. We need to deliver homes for people in a less profit driven way. We need something that benefits the whole community"*.

A2.133 The research consultant noted that issues around the limited supply of affordable housing may also impact on minimum wage earners that work in shops, hotels and restaurants since they cannot afford the housing market either. Similarly, there was concern that some Section 106 (S106) agreements (whereby developers are given permission to develop sites on condition that a proportion of the new housing they provide is affordable) may have to be renegotiated. One developer said that S106 agreements are likely to be honoured if there is a contract with the local authority whilst another developer asked if the current adverse housing market provides an opportunity to consider replacing S106 agreements with a land tax.

A2.134 It was agreed by stakeholders that the recent credit crunch is likely to impact on the supply of all types of properties, not just apartments. Whilst there was some agreement that the demand for private rented properties had been sustained, the recent 'credit crunch' had impacted on housing supply.

A2.135 Finally, there was some discussion at the stakeholder event as to the size of new dwellings required. One local government officer stated that when they worked for a Suffolk district council "... *there was a huge need for one-bed flats for single people*". This view was confirmed by a stakeholder employed by a rural voluntary organisation who stated that parish council surveys confirmed that there is need for one-bed properties "... *our biggest need is for single people and young couples. Most want a two-bed property, although they would not be allocated one*".

A2.136 However, an alternative view made by a local government officer was that there is a demand for one-bed properties for single people and couples for social rent, but they also want to cut down on the number of transfers so believe that building two bedroom properties is a much better investment: "*In my experience where a person can afford to buy a two-bed they will. Also, it's fine to encourage older people under-occupying to move, but we need to recognise that they may want two-bed homes. As we are now moving towards Choice Based lettings, we need to look at flexibility. It might help the market*".

A2.137 There was some support by stakeholders for increased provision of one-bed properties. One stakeholder believed that that larger properties may have affordability issues in that they are more difficult to heat than smaller properties, whilst another stated that "... *children living at home in rural areas invariably move into towns. Single people will only be allocated one beds so we need one beds or flexible allocating. One-bed units in different locations will appeal to different groups of people*". However, one developer pointed out the people often require a spare bedroom to use as an office whilst a stakeholder working in the voluntary sector stated that they often "... *turn away 6-10 homeless people a week, because we are full of people who cannot move on because there are not enough one-bed flats*".

Written response

A2.138 As well as being discussed at the stakeholder event, there were two written responses relevant to the discussion regarding the supply of housing. One stakeholder, a parish councillor, suggested that the community tax on second homes should be trebled and the subsequent funds used to purchase houses for use by local people or to improve the local infrastructure. A second parish councillor suggested that future housing development on the Felixstowe Peninsula may lead to an unsustainable increase in traffic on the A14. Finally, they stated that: *“...good agricultural land should not be allowed to be built on. More discussion with the RSS must take place in the light of recent ‘climate change and projected food shortages’ studies. If Suffolk does not have sufficient brownfield land to meet Government targets, they should have the courage to stand up and say so”*.

Housing affordability

Stakeholder workshop

A2.139 The topic of affordable housing attracted some of the most extensive responses. The main issues concerned whether the affordable housing requirements discussed in the SHMA report are credible; the difference between social and intermediate housing; the role of RSLs; and planning limitations.

A2.140 One important issue was whether the stakeholders agreed with the SHMA findings regarding the extent of affordable housing required within the study area. According to one developer, variations in affordable housing requirements do not make much difference to them as they simply appraise the cost of providing affordable housing and transfer those costs to sales. Another developer stated that if the costs of providing affordable housing are transparent then an appraisal of whether the scheme is viable becomes easier. Alternately, a member of the House Builders Federation stated that they use a ‘cascade method’ which sets out mechanisms for grant and non-grant funded affordable homes... *“no one part of affordable housing will work alone. Affordable housing policies must be flexible and realistic as development finance is very important, particularly if land values fall”*.

A2.141 One elected member asked if it were possible to show the relationship between social rent and intermediate housing. The research consultant responded that there is more data in the main report about household typologies and what they can afford. The gap between a social rent and a market rent is £50 per week which is quite a lot. Shared ownership is only truly intermediate if its weekly costs fall between those of a social rent and a market rent.

A2.142 The research consultant continued by stating that intermediate housing is usually more expensive than private renting. Also, newbuild housing is more expensive than second hand housing, so it is very hard to get newbuild housing to meet the requirement for intermediate homes. Also most people who cannot afford market housing can afford little more than a social rent. It may be better to regard shared ownership as low cost home ownership rather than affordable housing. Intermediate rent products may be more truly affordable. The credit crunch means that demand for shared ownership housing products is falling.

A2.143 A further question was whether registered social landlords (RSLs) with their own development departments would be able to continue delivering affordable housing in the slow down? The response from a RSL stakeholder was that the capacity and robustness of planning departments are the key issues really. Their policies might be similar, although the way they implement planning policies may vary. However, a second RSL stakeholder stated that the economic and housing downturn does not help large volume house building. If sales are guaranteed then they can cross subsidise to develop affordable housing, but they still face the same problems of selling as developers.

A2.144 One issue noted by a local government officer from a rural council was that they have to look at housing need as well as being flexible: *"...it is difficult to be flexible as well as clear. We are clear about the overwhelming need for social rented housing, but we have to negotiate each site. [Our council] aims for a 75% social rented to 25% intermediate split. There is a problem of homelessness. Councils have to meet need and the need is for social rented housing"*. A second local government officer stated that: *"...there is always a need for social rented properties. I am concerned about 25% shared ownership because open market second hand homes cost less"*.

A2.145 Similarly, a local government officer stated that developers prefer to provide shared ownership housing (rather than social rented housing). But, councils have to meet housing need with certain flexibility on a site-by-site basis and degree of balance although there is always a need for social rented units. In response, one developer noted that *"...in simplistic terms the only way to have certainty of delivering affordable housing is on Greenfield sites, particularly if you want social rented housing"*.

A2.146 One elected member asked why planning permission cannot be frozen. The response from a local authority planner was that planning permission: *"...only lasts three years. It would be illegal to freeze planning permission. There may have to be difficult decisions for local authorities around existing permissions and S106s. We may need to balance delivering affordable housing against other social goods e.g. education. In a falling market there are difficult decisions to be taken by Local Authorities and their partners. The question is how to write LDFs that can deal with changing circumstances"*. Importantly, it was noted that all the study area councils are currently undertaking land availability assessments that are due to be completed by the end of 2008.

Written responses

- A2.147 There were a number of written responses relevant to the topic of affordable housing including a letter written by a stakeholder employed by the House Builders Federation (HBF). On the topic of intermediate housing he stated that the SHMA gave considerable importance to representing the cost of intermediate housing as lying between the cost of social rented housing and market rented housing. However, he argues that this is inappropriate as such a mid-point is not referred to anywhere in Government Guidance or elsewhere. The research consultant's response is that although the mid-points suggest that the cost of intermediate housing should lie between the cost of social rented housing and market rented housing it is often much higher and, as such, is not usefully 'intermediate' housing.
- A2.148 In relation to the viability of affordable housing schemes, the HBF stakeholder made many of the points already raised above, for example that the availability or lack of grant funding (and at what level) will be crucial factors in determining the overall viability or not of individual development schemes. Also, the stakeholder "seriously questioned" the consequences on all housing delivery of any unrealistic affordable housing target figures in a very weak housing market. Given other likely planning gain requirements, any inflexibly high figures would act as a huge deterrent to developers. He stated that such requirements may well result in less provision of both market and affordable housing as a consequence and that this will only exacerbate existing affordability problems: *"It must be remembered that new private sector housing development is not the sole means of delivering affordable housing provision. Indeed, given current market constraints there will need to be greater emphasis on these alternative sources of supply (e.g. better use of the existing housing stock)"*.
- A2.149 In relation to the site sizes, the stakeholder wrote that councils will need to ensure that any affordable housing site size threshold does not act as a deterrent to landowners and developers as to their release for development. Otherwise the overall housing requirement figure will not be met. *"It must be recognised that the final paragraph of the Strategic Housing Market Practice guidance states that authorities will need to consider other factors when determining affordable housing targets including the policy definition of affordable housing, an assessment of economic viability within the area and the likely levels of finance available for affordable housing"*. He argues that it also needs to be emphasised that targets and thresholds need to encompass all other likely planning gain requirements in relation to viability, such as transport and community infrastructure, as well as the Code for Sustainable Homes level requirements.

- A2.150 The topic of affordable housing elicited a second extensive written response from a stakeholder employed by a town planning and development consultancy. Similar to the discussion regarding greenfield and brownfield development sites above, the stakeholder stated that in order for new developments to be able to provide reasonable levels of affordable housing, market economics dictate that the rest of the housing on the site must offer a sufficient return to be able to fund it.
- A2.151 They argue that “...*the first consideration in this regard is the type of site being developed; a brownfield site which may require remediation and the demolition of existing buildings and often relocation of an existing use will never be as simple or as cheap to develop as a greenfield site*”. In terms of major greenfield sites, the stakeholder believes that there are generally many demands for contributions from the development, such as the provision of community facilities and other necessary infrastructure. “*However, with such sites, there is also a unique opportunity to provide a full range of houses to meet all parts of the market, as well as a reasonable contribution towards affordable housing*”.
- A2.152 In relation to the type of new properties required, the stakeholder believes that evidence within the SHMA suggests that the Ipswich housing market has become saturated with apartments. Consequently, they argue that for a development to be profitable, it should respond to market demand and provide housing rather than apartments. They note that different tenures of affordable housing will have different effects on a development’s viability. “*Social rented housing tends not to have any significant return, whereas intermediate housing may do.*”
- A2.153 Similarly “...*intermediate housing would serve the increasing number of people who can afford to rent, but not to buy on the open market*”. However, although the recent credit crunch may mean that the price of apartments in Ipswich is falling, “...*an increasing number of people being unable to afford to buy property on the open market means an increasing number in need of affordable housing, due to the increasing gap in affordability between renting and buying*”.
- A2.154 They, therefore, argue that it is important for local authority housing policies to be mindful of market considerations, and the changing viability of new developments, both when setting policy requirements for affordable housing, and when negotiating S106 contributions from developers. As noted above: “*policies should have sufficient flexibility built into them to account for a changing housing market and fluctuations in viability. Policies should not be overly prescriptive therefore in terms of mix and tenure since need will fluctuate over the course of the life of any policy [particularly in the context of the 15 year time frames required by the Government for Core Strategies, as set out in the recently updated PPS12]*”.

- A2.155 Finally, they state that the practical consequence of the above considerations is that, in accordance with PPS3 and PPS12, there is an over-riding need for development plan policies to be pragmatic and realistic in terms of housing delivery, to offer a genuine variety of housing sites to deliver a range of market products, and for flexibility in land supply and development control policies to allow councils and the development industry to respond to changing conditions and opportunities.
- A2.156 There were a number of other written responses relevant to the topic of affordable housing. In response to the issue paper question “Do these findings reflect your experience or those of your service users?” one parish councillor stated that whilst these figures in the SHMA on affordable housing are reflective of expressed need, there are the elements of hidden need to be taken into account e.g. *“...families or individuals who have not registered for rented housing, as they consider the action to be futile; and the realisation that many areas or rural Suffolk are not served well by work/shopping/transport/local facilities, thus the pressure is developed to live nearer to main routes and areas with developed infrastructures”*.
- A2.157 In response to the question ‘What do you think the appropriate level of affordable housing delivery on open market developments should be?’, one respondent stated that all development sites smaller than the threshold of 15 units should pay a commuted sum to support exception site provision whilst another stated that S106 should be abolished and replaced with a general land tax.
- A2.158 Two respondents suggested that Suffolk Coastal District Council adopt a blanket affordable housing target of 33% on all sites. A respondent from one parish council stated that although they support Suffolk Coastal’s affordable housing policy they had no evidence of it being implemented within the parish: *“Not one planning consent for developments over the thresholds has included any provision for affordable housing (i.e. rented from a social landlord or shared ownership). Objections to applications, requesting the inclusion of S106 agreements aimed at securing ‘proper’ affordable housing, have fallen on deaf ears”*. The Mid Suffolk parish councillor stated that the current economic downturn and its subsequent impact on housing completions may mean that the number of affordable housing units completed will be smaller than expected. As such, *“...it is difficult to predict at present what affect this might have on housing needs in the near future, and whether an increased number of affordable units on built-for-sale sites, as a result of developers wishing to move unsold properties, will affect further sales”*.
- A2.159 There were two responses to the question ‘Why do you think this is?’ One respondent stated that affordable housing targets were not being met because *“...S106 is fundamentally flawed and is not contributing to the reduction in underlying land costs that is needed”*. A second respondent stated that it was unhelpful that the consultation on the LDF Supplementary Planning Document on Affordable Housing, which was due to start in January 2008 has been deferred to at least January 2009 and probably rather later.

A2.160 They continued by stating that: *“Whilst adoption, originally planned for July 2008, has slipped to June 2009, probably significantly later. This does not indicate that the issue of affordable housing is being given no more than lip service. There is a fear that developers might be being allowed to commute their affordable housing commitments on small/medium scale developments on the understanding that it can all be concentrated in one or two large-scale ‘ghettos’. If true, this is unacceptable; affordable housing should be integrated into the community”*.

A2.161 There were two responses to the question: ‘Do you think any changes are needed to the local authority housing policies?’ One respondent stated that local councils *“...have to decide where the ‘envelope’ has to give in order to fulfil demand. Unfortunately, there has to be tough decisions made”*. Another respondent stated that Suffolk Coastal DC does not need to change its affordable housing policy, *“...but the will to implement it”*. They suggest the implementation of a *“...new development control policy aimed at discouraging the growing trend to remove “affordable” (i.e. small) market houses by means of extensions. In this village, we see a significant trend to change e.g. three-bed dwellings into four/five-bed ones. This may reflect the need for families to provide accommodation for grown-up children who cannot afford to buy or rent locally. If so, the answer is to be more proactive in procuring the construction of ‘true’ affordable housing”*.

A2.162 There were two responses to the question: ‘Given the high need for affordable housing should every site contribute to meeting affordable housing?’ One respondent simply stated: *“Yes, via straight tax, not S106”*. A second respondent stated *“Given the high proportion of affordable housing required, in large part to meet previous major shortfalls, it is reasonable to expect every site (subject to thresholds, e.g. those in Suffolk Coastal DC’s policy) to contribute”*.

A2.163 There were three brief responses to the question “Do you think there is the right balance of tenures for individual districts, and across the study area?” *“Probably. Each macro market has its own needs”, “Yes, as based in housing need” and “Again, the Suffolk Coastal DC policy is good; it is the lack of implementation which is the problem”*.

A2.164 The responses to the question ‘Are local authorities doing enough to make sure that the homes of the right type and size are being built?’ were more extensive. One respondent stated that the “central planning ethos does not allow local authorities to provide ‘downsize’ properties at enough levels”. One parish councillor stated that too many larger (four bedrooms or more) properties are built considering there is a requirement for smaller one or two-bed sized properties within the parish. A second parish councillor suggested that Mid Suffolk’s characteristic as a ‘commuting base’ combine with some households’ demands for larger properties may mean that some of its housing need could be interpreted as housing demand.

A2.165 There were four brief responses to the question ‘Do you think intermediate housing helps first time buyers?’ One respondent stated that ‘rent to buy schemes’ are the answer to assist aspiring first-time buyers. Another respondent stated that *“intermediate housing is a good idea providing it is properly policed. Seventeen such houses were built in Felixstowe and most were bought by estate agents who then sold them on. The rules must be very tight in order that this does not happen again”*. A third respondent stated *“...yes – even more so with the current instability in the financial markets. In principle, it does seem to permit people who would not otherwise be able to, to gain access to, and to obtain limited benefit from, the “housing ladder”*. Lastly, a fourth respondent stated *“...yes, generally”* although they noted that it might be useful for households to be given the opportunity to decrease shared ownership as well as increase it.

A2.166 Finally, respondents were asked if they had any further comments to make. One respondent stated that if the number of affordable houses is to be met, houses above the RSS number will need to be built to obtain the necessary numbers. Another respondent asked *“what protections will be in place to enable genuine local people who wish to remain in the area they have grown up in to have first choice”?*

Older people

Stakeholder workshop

A2.167 A number of important points were made regarding the housing needs of older people both at the stakeholder workshop and by written responses. During the stakeholder event the question was raised whether older people were likely to ‘downsize’ (i.e. moving to smaller properties that are more suitable for their needs) One elected member stated that older people are more likely to downsize if they can stay in their local area. However, another elected member added that older people living in their family home are only likely to move when they became frail. According to one rural voluntary worker, older people want to stay in their own villages and there is a need for two-bed open market bungalows.

A2.168 However, it was noted by one developer that *“...the next generation of retired people may not have enough money to see them through; they may have to downsize to liberate capital. This will happen earlier and become more the norm”*. There was agreement that it is less likely in the future that older people will be eligible for final salary pensions or early retirement and that people will be retiring much later.

A2.169 According to one local government officer *"We throw a lot of money into keeping people in their own homes. We need the right product for older people to move to. The enabling local authority arm needs robust data as to what older people want. We need a range of products in the right locations"*. One registered social landlord (RSL) worker stated that in response to older people's housing needs the Housing Corporation had brought out a new intermediate housing product. However, *"...RSLs build to Housing Corporation standards to meet local authority requirements. RSL building reflects the need for family housing as they generally house people from the housing register, which is often skewed towards the needs of homeless families with children"*. Finally, according to one elected member *"...location is very important, and bungalows"*. However, a developer stated that people want two-bed two-bathroom bungalows but these conflict with planning policy.

Written responses

A2.170 There were four written responses to the issue of the housing needs of older people: one from a person working for Supporting People (an organisation which provides housing support to vulnerable people), an older person living within the study area, and two parish councillors – one based in a Suffolk Coastal parish and the second in a Mid Suffolk parish.

A2.171 In response to the question 'Given that many older people want to remain in their own home, but may currently be living in a home that is too large and difficult to manage, are there enough options available to those who want to move to a smaller home that better meets their needs?', one respondent working for Supporting People stated that more small bungalows need to be developed, including those that are accessible for people with mobility issues, in the private sector. They continued by stating that one of the reasons many older people do not want to move is because of the complexities of moving, and the lack of support available to people to assist them through the process.

A2.172 Similarly, the older person living in the study area wrote: *"No. From our own position we have found that planning restraints prevent us from better utilising our present property...and build[ing] a more suitable environmentally friendly 'older person' house in our garden! This would have the added benefit of providing family care for us as age progresses"*.

A2.173 The Suffolk Coastal parish councillor stated "No. The failure (in this part of [the study area] at least) to use the development control process to bring forward a supply of attractive, smaller dwellings (particularly bungalows) in either the social or market housing sectors, ensures that older people stay on in larger houses than they would prefer".

A2.174 The Mid Suffolk parish councillor stated that the majority of older person households within the district reside in larger, three or four bedroom properties. As such *"...the release of these larger properties by older persons wishing to downsize, could readjust housing need dramatically in the district, by simply concentrating on the development of smaller units nearer to facilities/public transport"*.

- A2.175 In response to the question: 'Do you think sheltered housing meets older people's accommodation needs?', the Supported Housing worker stated that in some areas sheltered housing schemes are in demand, although most districts in Suffolk report a decline in demand for social rented sheltered housing. Sheltered housing may have to adapt to meet the needs of future generations of older people, including changes to the way support is delivered to people who live in sheltered housing, and schemes with long term voids may have to consider taking other client groups (such as those with learning disabilities).
- A2.176 According to the older person stakeholder, it depends on the people involved: *"For some in less than robust health – yes, or for the single aged. Again it all depends on age, mobility, health, etc. For our part, personally, we would not, at present, wish to live in sheltered housing. From our own point of view, we would prefer to remain living in the village we have enjoyed for the past twelve years but [we] require more compact accommodation. Changes to the settlement boundaries and lack of alternative suitable property prevents this and we shall be forced to move away; the decision is not an easy one as our family live nearby."*
- A2.177 In response to this question, the Suffolk Coastal parish councillor stated that it depended on the definition of sheltered housing since, in their part of the study area, they are seeing significant growth in the supply of 'sheltered housing' apartments (for sale only to households where at least one member is over 55 years) where the only concession appears to be lower parking provision. They continue *"...what there is a clear demand for, but little sign of provision of, is sheltered and very sheltered accommodation for those older people who need some assistance with day-to-day living, but who wish to maintain the maximum independence and not go straight into a care home alongside those with high levels of dependency. It is unclear where responsibility for this lies – County Council (social care), district council (housing/development control), or housing association. People want to be housed within their community, not have to move several miles away from their social support networks"*.
- A2.178 The Mid Suffolk parish councillor stated that sheltered housing does not meet older persons' needs. Further, they argue that whilst sheltered housing is usually allocated to older people who have health or mobility issues, many older people today are healthier and are more likely to want to remain independent compared with older people 25 years ago.

A2.179 In response to the question 'Do you think very sheltered housing meets older people's accommodation and care needs?' the Supported People worker stated that: *"Yes, in general, very sheltered housing is replacing Residential Care Homes, especially those with Extra Care facilities. There may be a need to develop very sheltered housing to incorporate the provision of 24/7 Nursing Care in the future"*. The older person stakeholder responded briefly with: *"in some cases but not all"*. The Suffolk Coastal parish councillor agreed that very sheltered housing meets older peoples' accommodation and care needs. In contrast, the Mid Suffolk parish councillor stated that this is only the case where *"...health and mobility dictate this and other options cannot be considered"*.

A2.180 In response to the question 'Do you think that we should be bringing forward new accommodation tailored specifically for older people?' the Supporting People worker stated that this was the case, although these need to be developed in areas where they are close to shops and other amenities and services. The older person stakeholder stated *"Yes. Affordable Housing is a term associated with young people, probably with young families seeking a first time purchase. New accommodation suited to the older generations also needs to be 'affordable' and specific to their needs, which may not necessarily be the same as for first time buyers"*. The Suffolk Council parish councillor agreed that local authorities within the study area should be bringing forward new accommodation tailored specifically for older people. The Mid Suffolk parish councillor stated: *"...not specifically. Older people may need smaller accommodation nearer to general facilities, but given continued independence, then ghettoising is not the answer"*.

A2.181 In response to the question 'What type of accommodation should be provided for older people and where should it be?' the Supporting People worker provided an extensive response which argued that a combination of small bungalows for older owner-occupiers and improved choice of accommodation for older social housing tenants needs to be available. *"Better and more flexible use of sheltered schemes is required. Ultimately though, if older people are saying they want to stay living in their own homes for as long as possible (whether they are 'under-occupying' or not) then there needs to be improved support/care provision for older people to enable them to stay at home"*. The Suffolk Coastal parish councillor stated that there needs to be innovative solutions in both private and social rented sectors: *"What's wrong with all developments containing a few small, accessible bungalows? 'McCartney & Stone' type apartment blocks are what some older people would prefer. Again, the need is for integrated developments containing dwellings suitable for all age groups, including the elderly"*. Finally, the Mid Suffolk parish councillor stated that accommodation for older people should be on the *"...ground floor in their own community near to public transport where possible"*.

A2.182 In relation to final comments, the Supporting People worker stated that the report should noted that research suggests that most Equity Release Schemes (ERS) are not attractive to older people and their relations, which means that agencies working with older people are reluctant to offer advice on ERS. As such “... *there may be a need for local authorities to work together to organise, promote and support a joint scheme such as ‘Kick Start’ in the West Midlands which is more attractive to older people*”.

A2.183 The older person stakeholder suggested that local authorities should acknowledge that “...*future increase in an ageing population will be taken into account with their specific needs in terms of housing and simple day to day care, which need not be onerous, being taken seriously. From a political viewpoint, the ‘Grey Vote’ is becoming ever more important! Those organisations commissioning these surveys should remember that and take due account!*”

A2.184 There was no final comment from either of the parish councillors. However, one respondent who completed a ‘final comment’ section in a form dealing with the supply of housing stated that, from their personal knowledge, many elderly people are living in social housing houses too large for their needs. They continue by stating that if younger people and families are to be housed, such older people may need to be persuaded to move to smaller social housing.

A2.185 It may be worthwhile noting that in October 2007 two meetings took place between Partnership with Older People (POP) forum members and the Suffolk Coastal District Council Planning Section. The aim of these meetings was to discuss a range of issues relevant both to the way older people live and experience life today and how to apply these lessons to the future development planning of the area.

A2.186 Sessions were held at Kesgrave (17th October 2007) and Leiston (31st October 2007) in order to get a spread of views from across the district. Around 30 people attended each session, most of the participants being in the 70 plus age group. Delegates were split into groups each with a facilitator and scribe and feedback was provided by each table at the end of each session. The topics discussed included the following:

- Housing
- Health & Safety
- Recreation
- Supporting Others

A2.187 Whilst the sessions represented only a small proportion of the older people within the district, it is considered likely that the majority of the points raised will be common to the majority of older people, to a greater or lesser extent. Some of the main points discussed during the meetings included:

- Most participants had already downsized to bungalows or sheltered accommodation
- Reasons for re-location included:
 - being closer to family and because the garden was too large to maintain
 - moving to a more disabled friendly property
 - closer proximity to services and affordability
- The ideal type of accommodation included:
 - A bungalow with a small garden
 - Sheltered accommodation with help and support if needed and
 - Wardens available to give assistance if required
 - The disadvantage with such accommodation is there is no room for visitors
 - For all types of accommodation there should be space for buggies and storage facilities
- It was felt there is a need for a mix of housing types
- Properties should be in a safe environment and have good access to facilities and adapted for disabilities e.g. handrails, no stairs
- There is not enough variety of accommodation to cope with special needs
- There are preconceived ideas of residential homes
- Bed-sits are less popular as they are too cramped
- In terms of affordability maintenance is an issue
- More information on different types of accommodation is needed
- It should also cover details on renting, leasing and buying
- There should be some place where all the information is available
- It was suggested that the Council should have dedicated officers to help

BME groups

Stakeholder workshop

Gypsy and Traveller site meeting July 2008

A2.188A local authority officer attended a site meeting at West Meadows Gypsy and Traveller site in Ipswich to invite people to a BME workshop to be held later in the month. Three residents and the Traveller Liaison Officer said they would be interested in coming to the workshop. One resident felt Gypsies and Travellers did not have different needs from anyone else in terms of bricks and mortar housing.

Refugee Women's Group July 2008

A2.189A local authority officer also attended a meeting of the Refugee Women's Group held at Refugee Council offices in Ipswich. In spite of language difficulties, many women raised issues about overcrowding, poor standards of rented accommodation and difficulty in accessing housing advice through the Customer Service Centre.

A2.190 It was not possible to clarify whether the women had received decisions on their asylum applications and therefore whether they were living in 'Clear Springs' (a National Asylum Support Service (NASS) provider of accommodation to refugees), other private sector accommodation or social rented housing.

A2.191 These issues were raised with the manager in charge of Ipswich Borough Council's private sector housing team and homelessness and housing advice teams. They will be taken up through Ipswich's Homelessness Strategy. Housing advice surgeries in key agencies to arrange pre-booked interviews with housing advisors and interpreters together are being considered.

BME Workshop, July 2008

A2.192 A Black and Minority Ethnic (BME) groups workshop was held in July 2008 and was attended by 12 people representing a range of statutory and voluntary organisations, faith groups and study area residents.

A2.193 Questions were raised about the monitoring of BME groups on homeless household lists, housing registers and allocations lists. Local authority officers explained that BME people are over-represented among those accepted as homeless in Ipswich (compared to the proportion of BME people in the town as measured by 2001 Census). They are also over-represented on the housing register, and allocations are in line with the proportion of people on the register.

A2.194 Ipswich Borough Council officers believe that the over-representation of BME people among homelessness acceptances and on the housing register is due to their relatively greater housing need rather than discrimination against the White community. But, the proportion on the housing register and proportion of those housed does not match the proportion of some BME groups. In response to this issue, it was suggested that instances are explored on a case-by-case basis, as numbers are small. The reasons for the over-representation of BME groups may include: relative housing need, households refusing offers (if so we need to know why), discrimination or just a quirk in the figures.

A2.195 The second issue discussed at the BME workshop was that of Gypsies and Travellers. One stakeholder stated that some Gypsies and Travellers have been evicted from local authority sites for being 'doubled up' on pitches. However, they are not then accepted by local authorities as homeless either because they have a trailer (with nowhere to put it), or because they have no local connection. Also, there is no monitoring of waiting lists for local authority sites to see how long people have waited. In response, the workshop suggested that there is need for a transit site for homeless Gypsy families who have a trailer with nowhere to put it. Also, it was suggested that if homeless Gypsies and Travellers are taken into temporary accommodation, their trailers could be stored until a permanent pitch becomes available. One stakeholder provided the example of a Norfolk local authority paying for a homeless Gypsy family to access a caravan site for 28 days until a permanent pitch could be found. Finally, it was suggested that larger unitary authorities might solve the problem of local connection (in part).

A2.196 The third topic discussed at the workshop was that of different access to housing services by different communities. It was noted by some stakeholders that there are no clear figures about the number of asylum seekers, refugees and migrant workers who are homeless or living in poor housing conditions within the study area. As such, the problem is hidden. Also, migrant workers often lose accommodation if they lose a job, although they may find support within their local community. One stakeholder stated that Chinese people often come up with solutions within the community whilst people from the Indian subcontinent expect the family to stay together. People are very entrepreneurial and may get into buy-to-let. However, one barrier is that cultural pride may inhibit some members of the BME community from seeking help with their housing.

A2.197 Similarly, it was noted that some members of the BME community feel inhibited about applying for disabled facilities grants (DFGs) and talking about their disability. However, it was noted that even non-BME people can find it difficult to access DFGs, although culture and language differences make the problem worse for BME groups. Also, one stakeholder argued that some BME communities have poor relations with the police and other statutory authorities and will not seek help. Indeed, one stakeholder stated that some people worry that their children will be taken away if they seek help. It was argued that there are too few larger homes built to accessibility standards – the expectation being that, similar to the non-BME community, older people from BME groups will live in small families like the white community. Finally, there are no large bungalows available whilst some BME communities have little or no concept of 'affordable housing'.

A2.198 In response, the stakeholders argued that there is a need for relevant agencies to provide information on housing choices to BME communities. One stakeholder argued that for the Portuguese community, coffee shops may be more effective than voluntary sector agencies for getting information across whilst another stakeholder argued that the African community needs a meeting place.

A2.199 The fourth workshop topic was about the housing needs of refugees. One stakeholder stated that there is a lot of one-bed roomed accommodation coming through which single men are accessing. Suffolk Refugee Support Forum (SRSF) has been 'amazed' at the number of offers. Refugees are also accessing the private rented sector. However, another stakeholder explained that whilst at the moment single male refugees are getting social housing quite quickly, problems arise when their wives and children join them.

A2.200 The fifth workshop topic was about access to housing advice. One stakeholder stated that Ipswich Customer Service Centre (CSC) staff are quick to interpret frustration and emotion as abuse. They stated that Citizens Advice Bureaus staff are "...not always effective either as language issues and 'posh' words get in the way. Language is very important". Similarly, it was argued that voluntary sector agencies need information about the main languages used and that leaflets should be translated. In response, the workshop argued that CSC staff may need more support; more breaks; training in cultural awareness and techniques for calming down distressed people; and to know how to help people to make complaints. Also, it was suggested that interpreters and pre-booked appointments with housing advisors plus interpreters be used: "...interpreters are better than Language Line although there is a better version of Language Line used in Norfolk". It was noted that there is a need for confidential rooms where problems can be discussed.

A2.201 The final topic discussed was that of access to supported housing. One of the points made by stakeholders was that Afro-Caribbean men are not accessing mental health projects because the stigma associated with mental illness may be greater in some communities compared with others. It was noted that nationally, BME people may access acute mental health services but not after care or early intervention services. In response, it was stated that all the supported housing schemes in Ipswich are for people with severe and enduring mental illness. All those referred must be subject to the Care Programme Approach and are referred by care co-ordinators (e.g. social workers and community psychiatric nurses). Finally it was noted that Ipswich Borough Council chairs the allocations panel for mental health schemes in Ipswich so they can provide ethnic monitoring statistics.

Rural issues

Stakeholder workshop

A2.202 There were some brief comments made at the stakeholder event that were specifically related to rural housing issues within the study area. As noted above, one stakeholder working in the voluntary sector stated that there is a small demand for one bed properties from parish council surveys: "...our biggest need is for single people and young couples. Most want a two bed property, although they would not be allocated one." They continued by stating that children living at home in rural areas invariably move into towns: "...single people will only be allocated one-beds so we need one-beds or flexible allocating. One-bed units in different locations will appeal to different groups of people".

Homelessness

Stakeholder workshop

A2.203 There were a number of comments during the stakeholder event that were specifically related to homelessness. As noted in the section in BME groups, there was a question as to why people from BME groups were over-represented on homeless lists. The response was that people from BME groups may have greater housing needs although each case could be monitored individually. Similarly, as noted in the section on the supply of housing above, one person requested that the SHMA report consider whether the current economic conditions may result in a homelessness crisis. They continued by stating that their organisation turns away between six and ten homeless people a week *“...because we are full of people who cannot move on because there are not enough one-bed flats”*. Also, they stated that as RSLs generally house people from the housing register, they tend to build family-sized which is not appropriate for single people. As such, RSL housing is often skewed towards the needs of homeless families with children.

Written responses

A2.204 One written response stated that single person households are increasing and that: *“...a proportion of them will develop problems of some sort or other and either become homeless or find it difficult to have a home suitable for them”*. They argued that the homeless *“...will not go away unless there is a plan for specific and resourced provision for this various and complex group, outside of the statutory duties of a LA.”* They further suggested that the report does not fully consider the reason for homelessness for instance, in the case of care leavers, substance misusers (specifically alcohol abuse), ex-offenders and *“...a general group who are not problematic enough to receive mainstream care e.g. mental health services, but who find life very difficult”*. They suggest that the *“...the EDABS project headed up by Ipswich Borough Council seems a good start with regards to assisting difficult to house homeless people, but they are finding that some just cannot be helped, in some part because of lack of provision, [but also because] ... other agencies [need] to play their part”*.

Supporting People

Written responses

A2.205 There were two written responses which made general comments on Supporting People. The first was that the SHMA does not provide Supporting People with new information. Instead, it draws on Supporting People's own 2005-10 Strategy as evidence of supported housing need in Suffolk, despite the Supporting People Strategy being based on information from 2004. As such, the SHMA does not move forward from where we were in 2004 in regards to supported housing needs.

A2.206A second written comment suggests that the reports discussion of Supporting People is now out of date as there is now a new organisation called SNAP, who recently won the Supporting People bid for floating support in Suffolk except for Waveney. It is operated by a consortium of local providers. It started in June 2008 and looks to provide around 1,200 to 1,500 places for support per year provided that clients are supported for around six months at a time.

Summary of the main findings

Housing supply and first-time buyers

- Many apartments are problematic because they often do not have elevators and so are not always suitable for older people or people with disabilities
- Between 70%-80% of the invest-to-let market in Ipswich has recently disappeared
- Local authorities need to take a long-term view on the supply of land
- The credit crunch is likely to impact on the supply of new dwellings over the next five years
- Although house prices have decreased, the cost of buying a house has not, making it more difficult for first-time buyers
- Current housing problems may lead to an increase in homelessness
- There is high demand for smaller properties.

Older people

- Older people are more likely to downsize if they can stay in their local area
- The next generation of retired people may have to downsize to liberate capital
- RSL housing tends to reflect the needs of families rather than older people
- There is a need for more bungalows
- There are too few options for older people who want to move to smaller properties that better suit their needs
- Sheltered housing may have to be adapted to meet the needs of future generations of older people
- Very sheltered housing meets older peoples' accommodation and care needs
- There is a need for small bungalows for older owner-occupiers and improved choice of accommodation for older social housing tenants

BME groups

- Gypsies and Travellers did not have different needs from anyone else in terms of bricks and mortar housing
- There is need for a transit site for homeless Gypsy families who have a trailer
- BME groups are over-represented on homeless household lists, housing registers and allocations lists
- There are no clear figures about the number of asylum seekers, refugees and migrant workers who are homeless or living in poor housing conditions
- Cultural pride may inhibit some members of the BME community from seeking help with their housing
- There is a need for relevant agencies to provide information on housing choices to BME communities
- CSC staff need more support, breaks, training in cultural awareness and techniques for calming down distressed people and to know how to help people to make complaints.

Appendix 3 Migration tables

Introduction

- A3.1 Migration into and out of an area has a significant impact upon the housing market of that area. Any information provided about households that are migrating into and out of an area will help councils provide appropriate housing for immigrants and also offer insights into potential shortages in the market that leads to existing households leaving the area.
- A3.2 The analysis below is based upon 2001 Census data, which although six years out of date the general patterns are expected to remain the same. The data allows us to consider the characteristics of households moving into the area, moving out of the area and households remaining in the same property or moving within the area.
- A3.3 It should be noted that inflow is not an exact count of people moving into an area as it does not include people who had no usual address the year before Census Day and who did not live within the area. Outflow is not a count of all people moving out of the area as it does not include people who have moved outside the UK.
- A3.4 Initially the migration data for the study area will be presented followed by the equivalent data for each of the four Districts within the County.

Study area

- A3.5 The table below shows the tenure of migrating households in the study area. It shows that a large proportion (35.23%) of households moving into the study area are moving into private rented accommodation, particularly when compared with households remaining in the area.

Table A3.1 Tenure of migrating households in the study area						
Tenure	Stayed in area		Inflow		Outflow	
Owns outright	54,197	35.93%	1,131	20.58%	2,189	17.20%
Owns with a mortgage or loan	59,932	39.73%	1,992	36.25%	5,176	40.67%
Shared ownership	495	0.33%	10	0.18%	58	0.46%
Rented from council	14,610	9.69%	148	2.69%	911	7.16%
Other social rented	9,244	6.13%	278	5.06%	764	6.00%
Private rented	12,373	8.20%	1,936	35.23%	3,630	28.52%
Total (excluding living rent free)	150,851	100.00%	5,495	100.00%	12,728	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.6 The table below shows household migration by household type. The majority of households moving into the study area are adults without children, however this household type accounts for an even larger proportion of out-migrating households. Households with dependent children account for a smaller proportion of the inflow than they do the outflow. Over a quarter of households that stayed in the area were pensioners.

Table A3.2 Migration by household type

Household type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Pensioner	45,115	29.24%	652	11.69%	688	6.16%
Adult no children	50,413	32.68%	3,277	58.76%	5,296	47.40%
Lone Parent	11,250	7.29%	357	6.40%	1,038	9.29%
Households with dependent children	34,340	22.26%	1,161	20.82%	2,641	23.64%
Households with non dependent children	13,155	8.53%	130	2.33%	1,510	13.51%
Total (excluding other)	154,273	100.00%	5,577	100.00%	11,173	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.7 The table below shows household migration by employment status. More than half of households moving into the study area are in full-time employment, this compares with just under half of households who had stayed in the area.

Table A3.3 Migration by employment status

Employment status	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Full time	66,099	44.34%	3,301	52.82%	8,186	63.58%
Part time	26,215	17.58%	1,231	19.70%	958	7.44%
Self employed	18,108	12.15%	544	8.71%	1,589	12.34%
Unemployed	2,450	1.64%	190	3.04%	414	3.22%
Retired	26,557	17.81%	557	8.91%	778	6.04%
Student	299	0.20%	76	1.22%	112	0.87%
Looking after home/family	3,049	2.05%	133	2.13%	351	2.73%
Permanently sick or disabled	4,170	2.80%	113	1.81%	292	2.27%
Other	2,134	1.43%	104	1.66%	195	1.51%
Total aged 16-74	149,081	100.00%	6,249	100.00%	12,875	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.8 The table below shows the employment type of migrating households. It is clear from this table that households moving into the study area tend to be in the higher end employment groups, 65.5% of households classified as in Group 1, 2 or 3 of the National Statistics Socio-economic Classification (NS SeC).

Table A3.4 Migration by employment type

Employment type	Stayed in area		Inflow		Outflow	
Higher managerial and professional occupations	18,229	14.12%	1,829	26.23%	2,394	15.68%
Lower managerial and professional occupations	10,531	8.16%	948	13.60%	1,518	9.94%
Intermediate occupations	30,743	23.81%	1,794	25.73%	3,870	25.35%
Small employers and own account workers	8,784	6.80%	514	7.37%	1,197	7.84%
Lower supervisory and technical occupations	17,353	13.44%	514	7.37%	1,556	10.19%
Semi-routine occupations	13,342	10.33%	438	6.28%	1,450	9.50%
Routine occupations	13,506	10.46%	495	7.10%	1,487	9.74%
Never worked or long-term unemployed	14,715	11.40%	354	5.08%	1,524	9.98%
Not classified	1,921	1.49%	87	1.25%	271	1.78%
Total	129,124	100.00%	6,973	100.00%	15,267	100.00%

Source: 2001 Census (taken from NOMIS 2007)

Babergh

A3.9 The table below shows the tenure of migrating households in Babergh. It shows that a large proportion (25.43%) of households moving into Babergh are moving into private rented accommodation, particularly when compared with households remaining in the area.

Table A3.5 Migration by tenure

Tenure	Stayed in area		Inflow		Outflow	
Owns outright	11,856	38.03%	254	23.15%	493	20.25%
Owns with a mortgage or loan	12,718	40.80%	492	44.85%	1,092	44.86%
Shared ownership	135	0.43%	4	0.36%	11	0.45%
Rented from council	3,349	10.74%	33	3.01%	188	7.72%
Other social rented	933	2.99%	35	3.19%	107	4.40%
Private rented	2,183	7.00%	279	25.43%	543	22.31%
Total (excluding living rent free)	31,174	100.00%	1,097	100.00%	2,434	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.10 The table below shows household migration by household type. The majority of households moving into Babergh are adults without children, however this household type accounts for an even larger proportion of out-migrating households. Households with dependent children account for a larger proportion of the inflow than they do the outflow. Over a quarter of households that stayed in the area were pensioners.

Table A3.6 Migration by household type

Household type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Pensioner	9,211	28.69%	148	13.02%	168	7.55%
Adult no children	10,624	33.10%	632	55.58%	1,018	45.75%
Lone Parent	2,185	6.81%	72	6.33%	209	9.39%
Households with dependent children	7,220	22.49%	242	21.28%	499	22.43%
Households with non dependent children	2,861	8.91%	43	3.78%	331	14.88%
Total (excluding other)	32,101	100.00%	1,137	100.00%	2,225	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.11 The table below shows household migration by employment status. Nearly three quarters of households moving into Babergh are in full-time employment, this compares with just 49.51% of households who remained in the area.

Table A3.7 Migration by employment status

Employment status	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Full-time	13,718	49.51%	672	60.60%	1,511	64.93%
Part-time	1,949	7.03%	57	5.14%	46	1.98%
Self-employed	4,490	16.21%	131	11.81%	375	16.12%
Unemployed	440	1.59%	46	4.15%	61	2.62%
Retired	5,487	19.80%	131	11.81%	164	7.05%
Student	46	0.17%	6	0.54%	16	0.69%
Looking after home/family	515	1.86%	24	2.16%	56	2.41%
Permanently sick or disabled	693	2.50%	22	1.98%	56	2.41%
Other	368	1.33%	20	1.80%	42	1.80%
Total aged 16-74	27,706	100.00%	1,109	100.00%	2,327	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.12 The table below shows the employment type of migrating households. It is clear from this table that households moving into Babergh tend to be in the higher end employment groups, 47.14% of households classified as in Group 1 or 2 of the National Statistics Socio-economic Classification, this compares with 43.8% of households moving out of the area and 15.0% of households staying in the area.

Table A3.8 Migration by employment type

Employment type	Stayed in area		Inflow		Outflow	
Higher managerial and professional occupations	3,328	10.18%	227	19.67%	365	15.58%
Lower managerial and professional occupations	1,587	4.86%	317	27.47%	661	28.21%
Intermediate occupations	1,741	5.33%	124	10.75%	175	7.47%
Small employers and own account workers	5,939	18.17%	89	7.71%	282	12.04%
Lower supervisory and technical occupations	1,543	4.72%	92	7.97%	242	10.33%
Semi-routine occupations	3,500	10.71%	81	7.02%	219	9.35%
Routine occupations	2,394	7.33%	49	4.25%	198	8.45%
Never worked or long-term unemployed	2,498	7.64%	11	0.95%	39	1.66%
Not classified	10,152	31.06%	164	14.21%	162	6.91%
Total	32,682	100.00%	1,154	100.00%	2,343	100.00%

Source: 2001 Census (taken from NOMIS 2007)

Ipswich

A3.13 The table below shows the tenure of migrating households in Ipswich. It shows that a large proportion (45.95%) of households moving into Ipswich are moving into private rented accommodation, particularly when compared with households remaining in the area.

Table A3.9 Migration by tenure

Tenure	Stayed in area		Inflow		Outflow	
Owns outright	12,812	29.07%	148	9.51%	498	11.65%
Owns with a mortgage or loan	17,217	39.07%	537	34.51%	1,634	38.21%
Shared ownership	143	0.32%	0	0.00%	26	0.61%
Rented from council	7,662	17.39%	61	3.92%	491	11.48%
Other social rented	2,502	5.68%	95	6.11%	258	6.03%
Private rented	3,734	8.47%	715	45.95%	1,369	32.02%
Total (excluding living rent free)	44,070	100.00%	1,556	100.00%	4,276	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.14 The table below shows household migration by household type. The majority of households moving into Ipswich are adults without children, however this household type accounts for an even larger proportion of out-migrating households. Households with dependent children account for a larger proportion of the inflow than they do the outflow. More than a quarter of households that stayed in the area were pensioners.

Table A3.10 Migration by household type

Household type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Pensioner	12,397	27.63%	88	5.69%	153	4.35%
Adult no children	14,780	32.94%	1,066	68.91%	1,739	49.46%
Lone Parent	4,277	9.53%	129	8.34%	370	10.52%
Households with dependent children	9,429	21.01%	239	15.45%	843	23.98%
Households with non dependent children	3,989	8.89%	25	1.62%	411	11.69%
Total (excluding other)	44,872	100.00%	1,547	100.00%	3,516	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.15 The table below shows household migration by employment status. More than two thirds of households moving into Ipswich are in full time employment, this compares with just over half of households who had stayed in the area.

Table A3.11 Migration by employment status

Employment status	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Full time	19,730	51.06%	1,021	68.39%	2,888	71.20%
Part time	3,115	8.06%	91	6.10%	51	1.26%
Self employed	3,562	9.22%	87	5.83%	364	8.97%
Unemployed	1,089	2.82%	60	4.02%	175	4.31%
Retired	7,013	18.15%	54	3.62%	180	4.44%
Student	161	0.42%	61	4.09%	43	1.06%
Looking after home/family	1,318	3.41%	41	2.75%	158	3.90%
Permanently sick or disabled	1,766	4.57%	33	2.21%	117	2.88%
Other	888	2.30%	45	3.01%	80	1.97%
Total aged 16-74	38,642	100.00%	1,493	100.00%	4,056	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.16 The table below shows the employment type of migrating households. It is clear from this table that households moving into Ipswich tend to be in the higher end employment groups, 47.9% of households classified as in Group 1 or 2 of the National Statistics Socio-economic Classification, this compares with 41.2% of out-migrating households.

Table A3.12 Migration by employment type

Employment type	Stayed in area		Inflow		Outflow	
Higher managerial and professional occupations	3,464	8.09%	344	21.62%	634	15.52%
Lower managerial and professional occupations	1,280	2.99%	418	26.27%	1,049	25.67%
Intermediate occupations	2,184	5.10%	143	8.99%	410	10.03%
Small employers and own account workers	6,862	16.02%	71	4.46%	307	7.51%
Lower supervisory and technical occupations	2,803	6.54%	94	5.91%	410	10.03%
Semi-routine occupations	3,035	7.08%	140	8.80%	488	11.94%
Routine occupations	3,667	8.56%	105	6.60%	506	12.38%
Never worked or long-term unemployed	4,639	10.83%	38	2.39%	120	2.94%
Not classified	14,908	34.80%	238	14.96%	162	3.96%
Total	42,842	100.00%	1,591	100.00%	4,086	100.00%

Source: 2001 Census (taken from NOMIS 2007)

Mid Suffolk

A3.17 The table below shows the tenure of migrating households in Mid Suffolk. It shows that a large proportion (37.45%) of households moving into Mid Suffolk are moving into social rented accommodation, particularly when compared with households remaining in the area.

Table A3.13 Migration by tenure

Tenure	Stayed in area		Inflow		Outflow	
Owns outright	13,465	65.14%	505	50.30%	1,117	51.17%
Owns with a mortgage or loan	92	0.45%	3	0.30%	16	0.73%
Shared ownership	3,205	15.50%	45	4.48%	162	7.42%
Rented from council	736	3.56%	49	4.88%	113	5.18%
Other social rented	2,278	11.02%	376	37.45%	697	31.93%
Private rented	895	4.33%	26	2.59%	78	3.57%
Total (excluding living rent free)	20,671	100.00%	1,004	100.00%	2,183	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.18 The table below shows household migration by household type. The majority of households moving into Mid Suffolk are adults without children, however this household type accounts for an even larger proportion of out-migrating households. Households with dependent children account for a larger proportion of the inflow than they do the outflow. More than a quarter of households that stayed in the area were pensioners.

Table A3.14 Migration by household type

Household type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Pensioner	8,979	27.73%	142	11.26%	140	5.84%
Adult no children	10,677	32.98%	682	54.08%	1,205	50.23%
Lone Parent	1,956	6.04%	70	5.55%	178	7.42%
Households with dependent children	7,927	24.48%	346	27.44%	567	23.63%
Households with non dependent children	2,838	8.77%	21	1.67%	309	12.88%
Total (excluding other)	32,377	100.00%	1,261	100.00%	2,399	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.19 The table below shows household migration by employment status. Nearly two thirds of households moving into Mid Suffolk are in full time employment, this compares with just over half of households who had stayed in the area.

Table A3.15 Migration by employment status

Employment status	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Full time	14,334	50.81%	778	64.51%	1,697	67.34%
Part time	1,740	6.17%	40	3.32%	50	1.98%
Self employed	4,691	16.63%	144	11.94%	376	14.92%
Unemployed	367	1.30%	32	2.65%	62	2.46%
Retired	5,592	19.82%	140	11.61%	173	6.87%
Student	33	0.12%	0	0.00%	24	0.95%
Looking after home/family	486	1.72%	34	2.82%	45	1.79%
Permanently sick or disabled	639	2.26%	24	1.99%	57	2.26%
Other	330	1.17%	14	1.16%	36	1.43%
Total aged 16-74	28,212	100.00%	1,206	100.00%	2,520	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.20 The table below shows the employment type of migrating households. It is clear from this table that households moving into Mid Suffolk tend to be in the higher end employment groups, 49.96% of households classified as in Group 1 or 2 of the National Statistics Socio-economic Classification. This compares with 43.97% of households moving out of the area.

Table A3.16 Migration by employment type

Employment type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Higher managerial and professional occupations	3,376	10.26%	255	19.97%	397	15.54%
Lower managerial and professional occupations	1,556	4.73%	383	29.99%	726	28.43%
Intermediate occupations	1,820	5.53%	85	6.66%	183	7.17%
Small employers and own account workers	6,027	18.31%	115	9.01%	307	12.02%
Lower supervisory and technical occupations	1,424	4.33%	102	7.99%	262	10.26%
Semi-routine occupations	3,792	11.52%	76	5.95%	243	9.51%
Routine occupations	2,463	7.48%	67	5.25%	247	9.67%
Never worked or long-term unemployed	2,423	7.36%	12	0.94%	21	0.82%
Not classified	10,033	30.48%	182	14.25%	168	6.58%
Total	32,914	100.00%	1,277	100.00%	2,554	100.00%

Source: 2001 Census (taken from NOMIS 2007)

Suffolk Coastal

A3.21 The table below shows the tenure of migrating households in Suffolk Coastal. It shows that a large proportion (35.53%) of households moving into Suffolk Coastal are moving into private rented accommodation, particularly when compared with households remaining in the area.

Table A3.17 Migration by tenure

Tenure	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Owns outright	17,724	40.26%	458	28.75%	699	20.47%
Owns with a mortgage or loan	16,532	37.55%	458	28.75%	1,333	39.05%
Shared ownership	125	0.28%	3	0.19%	5	0.15%
Rented from council	394	0.89%	9	0.56%	70	2.05%
Other social rented	5,073	11.52%	99	6.21%	286	8.38%
Private rented	4,178	9.49%	566	35.53%	1,021	29.91%
Total (excluding living rent free)	44,026	100.00%	1,593	100.00%	3,414	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.22 The table below shows household migration by household type. The majority of households moving into Suffolk Coastal are adults without children, however this household type accounts for an even larger proportion of out-migrating households. Households with dependent children account for a larger proportion of the inflow than they do the outflow. Nearly a quarter of households that stayed in the area were pensioners.

Table A3.18 Migration by household type

Household type	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Pensioner	14,528	32.34%	274	16.79%	227	14,528
Adult no children	14,332	31.90%	897	54.96%	1,334	14,332
Lone Parent	2,832	6.30%	86	5.27%	281	2,832
Households with dependent children	9,764	21.73%	334	20.47%	732	9,764
Households with non dependent children	3,467	7.72%	41	2.51%	459	3,467
Total (excluding other)	44,923	100.00%	1,632	100.00%	3,033	44,923

Source: 2001 Census (taken from NOMIS 2007)

A3.23 The table below shows household migration by employment status. More than half of households moving into Suffolk Coastal are in full time employment, this compares with just over half of households who had stayed in the area.

Table A3.19 Migration by employment status

Employment status	Stayed in area		Inflow		Outflow	
	Count	Percentage	Count	Percentage	Count	Percentage
Full time	14,334	50.81%	778	64.51%	1,697	67.34%
Part time	1,740	6.17%	40	3.32%	50	1.98%
Self employed	4,691	16.63%	144	11.94%	376	14.92%
Unemployed	367	1.30%	32	2.65%	62	2.46%
Retired	5,592	19.82%	140	11.61%	173	6.87%
Student	33	0.12%	0	0.00%	24	0.95%
Looking after home/family	486	1.72%	34	2.82%	45	1.79%
Permanently sick or disabled	639	2.26%	24	1.99%	57	2.26%
Other	330	1.17%	14	1.16%	36	1.43%
Total aged 16-74	28,212	100.00%	1,206	100.00%	2,520	100.00%

Source: 2001 Census (taken from NOMIS 2007)

A3.24 The table below shows the employment type of migrating households. It is clear from this table that households moving into Suffolk Coastal tend to be in the higher end employment groups, 67.5% of households classified as in Group 1 or 2 of the National Statistics Socio-economic Classification, this compares with 59.3% of households moving out of the area.

Table A3.20 Migration by employment type

Employment type	Stayed in area		Inflow		Outflow	
Higher managerial and professional occupations	4,744	10.27%	335	20.44%	537	16.45%
Lower managerial and professional occupations	1,927	4.17%	415	25.32%	863	26.43%
Intermediate occupations	2,817	6.10%	117	7.14%	294	9.00%
Small employers and own account workers	7,981	17.28%	134	8.18%	360	11.03%
Lower supervisory and technical occupations	2,463	5.33%	86	5.25%	294	9.00%
Semi-routine occupations	4,149	8.98%	136	8.30%	337	10.32%
Routine occupations	2,980	6.45%	75	4.58%	316	9.68%
Never worked or long-term unemployed	3,215	6.96%	19	1.16%	59	1.81%
Not classified	15,914	34.45%	322	19.65%	205	6.28%
Total	46,190	100.00%	1,639	100.00%	3,265	100.00%

Source: 2001 Census (taken from NOMIS 2007)

Summary

- Migration is an important characteristic of a housing market, knowledge of the characteristics of the households migrating into, out of and within the housing market will allow for policy makers to plan effectively for the future.
- When looking at the characteristics of households moving into, out of and within the study area and its districts the characteristics of the moving households are very similar.
- Households moving into the study area or the districts tend to move into private rented accommodation, or owner-occupation (with a mortgage), the majority of households are adults without children. There are however a relatively high proportion of households with dependent children moving into the area as well. The majority of in-migrant households are in full time employment and are in the higher end employment groups.
- Households moving out of the study area or the districts have generally similar characteristics to in-migrant households although there are some key differences. They are more likely to move into outright ownership, more likely to be adults without children and slightly more likely to be pensioners. They are less likely to be in full time employment when compared with in-migrant households and are more likely to be in the middle to lower employment types,
- Households that are remaining in the study area or the districts are significantly more likely than in and out-migrating households to be in owner-occupation and more likely to be pensioner households.

Appendix 4 Tenure balance and size mix policy implications: details and derivation

Introduction

- A.4.1 This appendix uses Census data to examine the balance between the sizes and tenures of housing at sub-district (in this case ward) level. It is possible that such data could be used to assist the determination of the appropriate mix of housing at a detailed spatial scale. The data provides information about the distribution of market homes for rent and sale and affordable dwellings as well as the size of accommodation (in terms of larger or smaller homes).
- A4.2 The tables in this appendix have been split by the individual districts within the study area for ease of reference, although the maps show the whole study area, allowing comparisons to be made.

Distribution of owner-occupied, affordable and private rented accommodation

- A4.3 The four tables below show the proportions of owner-occupied, affordable and private rented accommodation in each of the Districts. This forms a background for the later tables and maps. It is clear that in each of the Districts there is a dominance of owner-occupation, although the proportion of owner-occupied properties in wards within the Districts differs significantly.

Table A4.1 Tenure split by ward in Babergh

Ward	Owner-occupied	Affordable housing	Private rent	Total
Alton	84.5%	9.5%	6.0%	100.0%
Berners	82.3%	8.0%	9.6%	100.0%
Boxford	84.3%	9.8%	5.9%	100.0%
Brett Vale	74.1%	17.4%	8.4%	100.0%
Brook	82.3%	7.8%	9.9%	100.0%
Bures St Mary	82.5%	11.2%	6.3%	100.0%
Chadacre	83.3%	8.5%	8.1%	100.0%
Dodnash	83.7%	9.3%	7.1%	100.0%
Glemsford and Stanstead	83.6%	8.8%	7.6%	100.0%
Great Cornard North	75.0%	20.1%	4.9%	100.0%
Great Cornard South	79.4%	15.3%	5.4%	100.0%
Hadleigh North	69.3%	23.6%	7.1%	100.0%
Hadleigh South	80.5%	14.2%	5.2%	100.0%
Holbrook	81.3%	10.3%	8.4%	100.0%
Lavenham	71.0%	21.3%	7.7%	100.0%
Leavenheath	92.4%	4.8%	2.8%	100.0%
Long Melford	75.0%	16.5%	8.5%	100.0%
Lower Brett	86.1%	7.2%	6.7%	100.0%
Mid Samford	91.9%	3.8%	4.4%	100.0%
Nayland	77.9%	13.5%	8.6%	100.0%
North Cosford	78.6%	14.0%	7.4%	100.0%
Pinewood	80.0%	14.0%	6.0%	100.0%
South Cosford	81.6%	10.0%	8.3%	100.0%
Sudbury East	71.1%	23.3%	5.6%	100.0%
Sudbury North	73.0%	23.1%	3.9%	100.0%
Sudbury South	65.8%	19.3%	14.9%	100.0%
Waldingfield	85.5%	10.4%	4.1%	100.0%

Source: Census 2001

Table A4.2 Tenure split by ward in Ipswich

Ward	Owner-occupied	Affordable housing	Private rent	Total
Alexandra	61.7%	17.3%	20.9%	100.0%
Bixley	87.3%	3.1%	9.7%	100.0%
Bridge	57.5%	28.9%	13.7%	100.0%
Castle Hill	89.8%	6.6%	3.6%	100.0%
Gainsborough	58.4%	36.5%	5.1%	100.0%
Gipping	47.7%	41.4%	10.9%	100.0%
Holywells	81.2%	5.3%	13.5%	100.0%
Priory Heath	60.5%	35.3%	4.2%	100.0%
Rushmere	75.8%	19.4%	4.7%	100.0%
Sprites	61.6%	31.9%	6.4%	100.0%
St John's	79.4%	9.6%	11.0%	100.0%
St Margaret's	74.8%	7.4%	17.7%	100.0%
Stoke Park	58.6%	38.3%	3.1%	100.0%
Westgate	56.6%	18.1%	25.3%	100.0%
Whitehouse	63.8%	29.2%	7.0%	100.0%
Whitton	63.3%	34.3%	2.4%	100.0%

Source: Census 2001

Table A4.3 Tenure split by ward in Mid Suffolk

Ward	Owner-occupied	Affordable housing	Private rent	Total
Bacton and Old Newton	86.0%	7.8%	6.3%	100.0%
Badwell Ash	80.1%	12.3%	7.6%	100.0%
Barking and Somersham	83.1%	10.5%	6.4%	100.0%
Bramford and Blakenham	85.2%	8.7%	6.2%	100.0%
Claydon and Barham	85.6%	8.9%	5.6%	100.0%
Debenham	78.8%	14.1%	7.1%	100.0%
Elmswell and Norton	82.2%	13.0%	4.7%	100.0%
Eye	68.9%	21.6%	9.5%	100.0%
Fressingfield	75.5%	14.2%	10.3%	100.0%
Gislingham	86.2%	6.6%	7.2%	100.0%
Haughley and Wetherden	72.5%	22.2%	5.3%	100.0%
Helmingham and Coddensham	77.0%	6.9%	16.1%	100.0%
Hoxne	79.7%	10.7%	9.6%	100.0%
Mendlesham	79.6%	13.8%	6.6%	100.0%
Needham Market	79.2%	12.5%	8.3%	100.0%
Onehouse	81.1%	13.9%	5.0%	100.0%
Palgrave	85.2%	8.7%	6.2%	100.0%
Rattlesden	80.7%	13.5%	5.9%	100.0%
Rickinghall and Walsham	78.8%	12.2%	9.0%	100.0%
Ringshall	83.9%	8.1%	8.0%	100.0%
Stowmarket Central	79.5%	13.6%	6.9%	100.0%
Stowmarket North	76.7%	15.7%	7.6%	100.0%
Stowmarket South	76.3%	19.9%	3.8%	100.0%
Stowupland	82.0%	14.5%	3.5%	100.0%
Stradbroke and Laxfield	73.7%	17.2%	9.1%	100.0%
The Stonhams	87.9%	7.0%	5.1%	100.0%
Thurston and Hessett	86.4%	7.3%	6.3%	100.0%
Wetheringsett	82.9%	10.5%	6.6%	100.0%
Woolpit	82.1%	14.5%	3.3%	100.0%
Worlingworth	81.2%	8.7%	10.1%	100.0%

Source: Census 2001

Table A4.4 Tenure split by ward in Suffolk Coastal

Ward	Owner-occupied	Affordable housing	Private rent	Total
Aldeburgh	76.2%	13.3%	10.4%	100.0%
Earl Soham	79.6%	9.5%	10.9%	100.0%
Farlingaye	82.3%	11.5%	6.2%	100.0%
Felixstowe East	91.6%	5.4%	3.0%	100.0%
Felixstowe North	70.4%	20.7%	8.9%	100.0%
Felixstowe South	69.4%	13.3%	17.4%	100.0%
Felixstowe South East	80.8%	3.6%	15.6%	100.0%
Felixstowe West	65.7%	28.2%	6.1%	100.0%
Framlingham	75.1%	14.5%	10.3%	100.0%
Grundisburgh	81.5%	10.8%	7.7%	100.0%
Hacheston	72.0%	10.6%	17.4%	100.0%
Hollesley with Eyke	78.3%	9.7%	12.1%	100.0%
Kesgrave East	88.7%	4.4%	6.9%	100.0%
Kesgrave West	88.6%	8.6%	2.8%	100.0%
Kyson	66.4%	28.9%	4.7%	100.0%
Leiston	67.0%	21.7%	11.4%	100.0%
Martlesham	81.9%	6.9%	11.2%	100.0%
Melton and Ufford	81.7%	12.7%	5.6%	100.0%
Nacton	86.3%	4.5%	9.2%	100.0%
Orford and Tunstall	73.4%	11.0%	15.6%	100.0%
Otley	81.2%	10.9%	7.9%	100.0%
Peasenhall	80.0%	10.6%	9.5%	100.0%
Rendlesham	42.7%	5.1%	52.3%	100.0%
Riverside	85.3%	9.1%	5.6%	100.0%
Rushmere St Andrew	95.0%	2.3%	2.7%	100.0%
Saxmundham	63.6%	27.1%	9.3%	100.0%
Seckford	72.2%	11.1%	16.8%	100.0%
Snape	78.1%	8.6%	13.3%	100.0%
Sutton	64.6%	14.3%	21.0%	100.0%
Trimleys with Kirton	83.2%	8.6%	8.2%	100.0%
Walberswick and Wenhaston	80.8%	11.1%	8.0%	100.0%
Wickham Market	68.8%	24.3%	6.9%	100.0%
Witnesham	86.4%	7.9%	5.7%	100.0%
Yoxford	82.3%	8.2%	9.4%	100.0%

Source: Census 2001

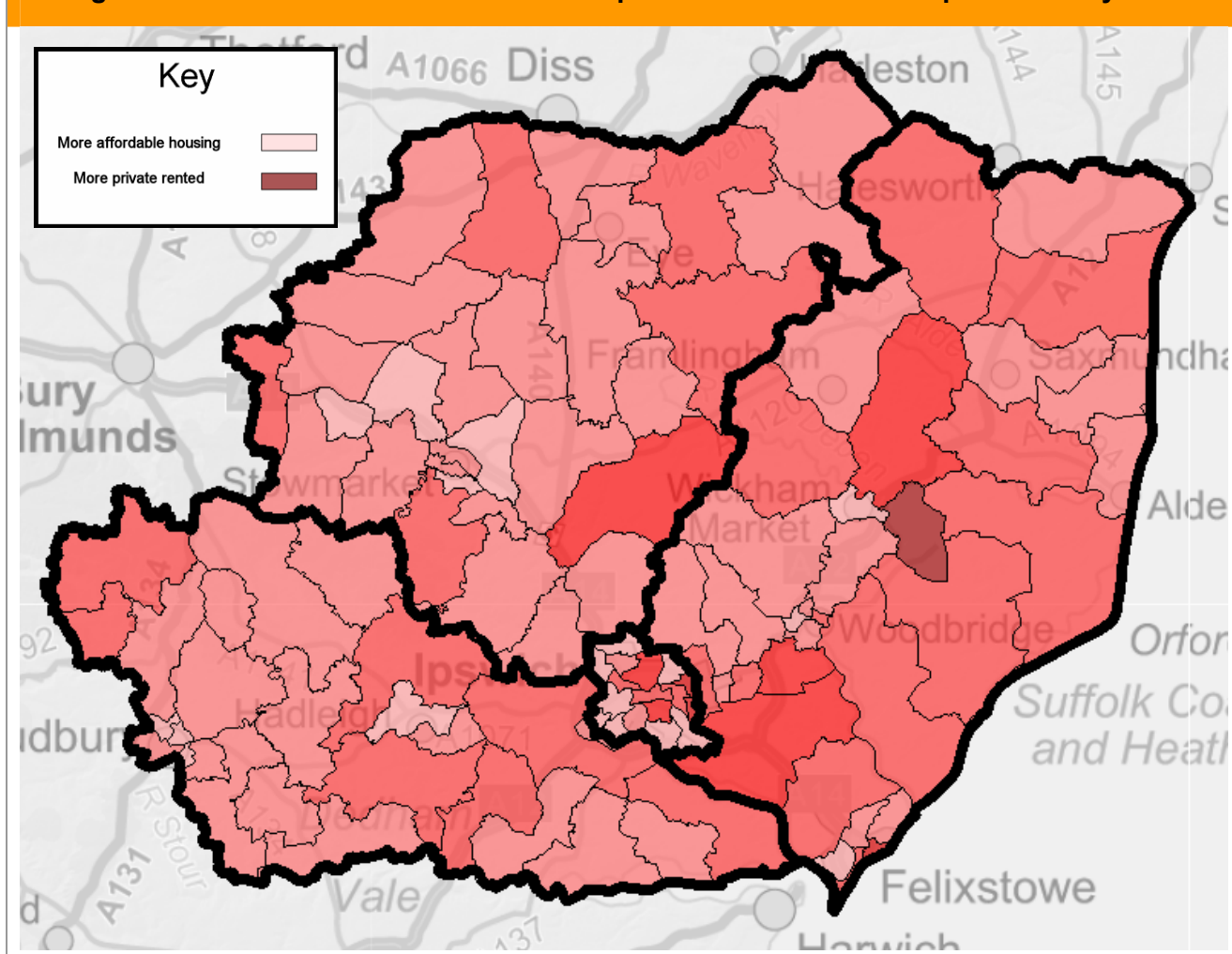
Table A4.5 Tenure split for study area and comparable areas

Ward	Owner-occupied	Affordable housing	Private rent	Total
Babergh	79.3%	13.7%	7.0%	100.0%
Ipswich	67.1%	22.7%	10.2%	100.0%
Mid Suffolk	80.5%	12.5%	6.9%	100.0%
Suffolk Coastal	77.8%	12.4%	9.8%	100.0%
Study area	75.5%	15.7%	8.8%	100.0%
Suffolk	74.7%	16.1%	9.3%	100.0%
East of England	75.1%	17.1%	7.8%	100.0%
England	71.0%	19.9%	9.1%	100.0%

Source: Census 2001

A4.4 The following map shows the distribution of affordable and private rented homes in the study area.

Figure A4.1 Distribution of affordable and private rented homes in Ipswich study area



Source: Census 2001

Background size data on market and affordable housing

A4.5 The tables below provides data used as an input to the analyses of market and affordable housing.

Table A4.6 Average number of bedrooms and household size by ward (market and affordable) in Babergh				
Ward	Market		Affordable	
	Average number of rooms per dwelling	Average household size	Average number of rooms per dwelling	Average household size
Alton	5.92	2.47	4.95	2.38
Berners	5.71	2.34	4.51	2.06
Boxford	6.57	2.46	4.53	2.11
Brett Vale	6.17	2.34	4.69	2.43
Brook	6.35	2.41	4.59	2.13
Bures St Mary	6.36	2.37	4.01	1.94
Chadacre	6.42	2.48	4.55	2.32
Dodnash	6.26	2.34	4.20	2.18
Glemsford and Stanstead	5.56	2.45	4.71	2.60
Great Cornard North	5.44	2.42	4.59	2.43
Great Cornard South	5.69	2.69	4.97	2.76
Hadleigh North	5.81	2.32	4.57	2.42
Hadleigh South	5.95	2.57	4.15	1.94
Holbrook	6.35	2.46	4.64	1.64
Lavenham	6.11	2.03	4.29	1.93
Leavenheath	6.16	2.42	4.70	1.88
Long Melford	5.93	2.28	4.41	2.09
Lower Brett	6.53	2.44	4.17	2.08
Mid Samford	6.51	2.57	4.88	2.40
Nayland	6.41	2.39	4.63	1.93
North Cosford	6.75	2.33	4.82	2.41
Pinewood	5.24	2.25	4.58	2.60
South Cosford	6.39	2.49	4.92	2.20
Sudbury East	5.07	2.15	4.44	2.28
Sudbury North	5.79	2.51	4.67	2.63
Sudbury South	5.35	2.03	3.68	1.69
Waldingfield	6.06	2.47	4.68	2.49

Source: Census 2001

**Table A4.7 Average number of bedrooms and household size by ward
(market and affordable) in Ipswich**

Ward	Market		Affordable	
	Average number of rooms per dwelling	Average household size	Average number of rooms per dwelling	Average household size
Alexandra	5.55	2.24	3.22	1.44
Bixley	5.94	2.35	3.05	1.48
Bridge	5.44	2.34	3.98	1.89
Castle Hill	5.79	2.50	4.51	2.11
Gainsborough	5.42	2.42	4.63	2.58
Gipping	5.61	2.42	4.30	2.31
Holywells	5.66	2.33	3.66	1.47
Priory Heath	5.66	2.50	5.00	2.70
Rushmere	5.81	2.51	4.60	2.30
Sprites	5.49	2.57	4.34	2.07
St John's	5.45	2.34	3.16	1.28
St Margaret's	6.29	2.36	3.51	1.43
Stoke Park	5.48	2.47	4.01	2.08
Westgate	5.49	2.16	3.67	1.66
Whitehouse	5.34	2.45	4.64	2.34
Whitton	5.56	2.56	4.77	2.76

Source: Census 2001

**Table A4.8 Average number of bedrooms and household size by ward
(market and affordable) in Mid Suffolk**

Ward	Market		Affordable	
	Average number of rooms per dwelling	Average household size	Average number of rooms per dwelling	Average household size
Bacton and Old Newton	6.07	2.53	4.56	1.98
Badwell Ash	6.53	2.50	4.53	2.55
Barking and Somersham	6.27	2.55	5.19	2.39
Bramford and Blakenham	5.62	2.35	4.27	1.98
Claydon and Barham	5.73	2.45	4.26	1.84
Debenham	5.91	2.42	4.28	2.18
Elmswell and Norton	6.10	2.59	4.35	2.06
Eye	5.88	2.18	4.19	2.12
Fressingfield	6.45	2.52	4.02	1.93
Gislingham	6.33	2.51	4.38	2.40
Haughley and Wetherden	6.29	2.52	4.50	2.36
Helmingham and Coddensham	6.82	2.50	4.80	2.90
Hoxne	6.45	2.39	4.22	2.06
Mendlesham	6.30	2.39	4.04	2.14
Needham Market	5.26	2.36	3.99	1.82
Onehouse	6.27	2.62	3.97	1.90
Palgrave	6.54	2.48	4.41	2.25
Rattlesden	6.53	2.44	5.07	2.36
Rickinghall and Walsham	6.26	2.44	4.23	2.25
Ringshall	6.47	2.30	5.23	3.02
Stowmarket Central	5.35	2.15	4.01	2.02
Stowmarket North	5.60	2.53	4.66	2.32
Stowmarket South	5.33	2.53	4.81	2.66
Stowupland	5.68	2.46	4.34	2.01
Stradbroke and Laxfield	6.17	2.41	4.02	1.87
The Stonhams	6.52	2.55	5.12	2.94
Thurston and Hessett	6.23	2.58	4.75	2.32
Wetheringsett	6.62	2.57	4.86	2.25
Woolpit	6.44	2.52	4.81	2.55
Worlingworth	6.54	2.45	4.66	2.44

Source: Census 2001

**Table A4.9 Average number of bedrooms and household size by ward
(market and affordable) in Suffolk Coastal**

Ward	Market		Affordable	
	Average number of rooms per dwelling	Average household size	Average number of rooms per dwelling	Average household size
Aldeburgh	5.96	1.91	4.30	1.92
Earl Soham	6.88	2.46	4.72	2.07
Farlingaye	5.63	2.35	4.87	2.87
Felixstowe East	5.94	2.30	4.04	1.97
Felixstowe North	5.54	2.31	3.77	1.79
Felixstowe South	5.82	2.22	4.05	1.86
Felixstowe South East	6.08	2.30	4.06	2.29
Felixstowe West	5.23	2.35	4.44	2.17
Framlingham	6.28	2.34	4.22	2.04
Grundisburgh	6.33	2.45	4.60	2.12
Hacheston	6.68	2.46	4.95	2.35
Hollesley with Eyke	6.26	2.47	4.26	1.94
Kesgrave East	6.10	2.61	3.95	1.71
Kesgrave West	5.33	2.23	4.22	2.07
Kyson	5.63	2.30	4.44	2.35
Leiston	5.69	2.41	4.56	2.28
Martlesham	5.97	2.49	3.73	1.65
Melton and Ufford	6.26	2.47	4.17	1.71
Nacton	6.32	2.45	4.43	2.10
Orford and Tunstall	6.10	2.14	4.49	2.34
Otley	6.74	2.63	5.01	2.60
Peasenhall	6.38	2.30	4.99	2.52
Rendlesham	5.29	2.20	5.08	2.73
Riverside	6.23	2.16	3.49	1.45
Rushmere St Andrew	6.31	2.56	4.35	2.05
Saxmundham	5.82	2.23	4.51	2.32
Seckford	5.57	1.80	3.72	1.55
Snape	6.23	2.33	5.01	2.40
Sutton	6.42	2.25	4.89	2.46
Trimleys with Kirton	5.64	2.43	4.41	2.17
Walberswick and Wenhaston	6.30	2.11	4.73	2.29
Wickham Market	5.85	2.30	4.48	2.29
Witnesham	6.53	2.38	4.92	2.91
Yoxford	6.13	2.06	5.15	2.66

Source: Census 2001

Table A4.10 Average number of bedrooms and household size for the study area and comparable area (market and affordable)

	Market		Affordable	
	Average number of rooms per dwelling	Average household size	Average number of rooms per dwelling	Average household size
Babergh	5.95	2.39	4.49	2.25
Ipswich	5.65	2.41	4.28	2.19
Mid Suffolk	6.03	2.45	4.41	2.20
Suffolk Coastal	5.99	2.35	4.37	2.14
East	5.72	2.43	4.28	2.21
Suffolk	5.82	2.37	4.35	2.19
England	5.63	2.42	4.21	2.19

Source: Census 2001

Deriving balance indicators: need for larger/smaller market housing

A4.6 Using the data shown in the previous sub-section, ratios can be developed for the purpose of size mix. Dwelling size is divided by household size in the tables that follow. Lower ratios indicate more need for larger dwellings, and vice versa.

Table A4.11 Market housing balance by ward in Babergh

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Great Cornard South	5.69	2.69	0.47
Great Cornard North	5.44	2.42	0.45
Glemsford and Stanstead	5.56	2.45	0.44
Sudbury North	5.79	2.51	0.43
Hadleigh South	5.95	2.57	0.43
Pinewood	5.24	2.25	0.43
Sudbury East	5.07	2.15	0.42
Alton	5.92	2.47	0.42
Berners	5.71	2.34	0.41
Waldingfield	6.06	2.47	0.41
Hadleigh North	5.81	2.32	0.40
Mid Samford	6.51	2.57	0.40
Leavenheath	6.16	2.42	0.39
South Cosford	6.39	2.49	0.39
Holbrook	6.35	2.46	0.39
Chadacre	6.42	2.48	0.39
Long Melford	5.93	2.28	0.38
Sudbury South	5.35	2.03	0.38
Brook	6.35	2.41	0.38
Brett Vale	6.17	2.34	0.38
Boxford	6.57	2.46	0.37
Dodnash	6.26	2.34	0.37
Lower Brett	6.53	2.44	0.37
Bures St Mary	6.36	2.37	0.37
Nayland	6.41	2.39	0.37
North Cosford	6.75	2.33	0.35
Lavenham	6.11	2.03	0.33

Source: Census 2001

Table A4.12 Market housing balance by ward in Ipswich

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
St Margaret's	5.49	2.57	0.47
Whitton	5.56	2.56	0.46
Whitehouse	5.34	2.45	0.46
Stoke Park	5.48	2.47	0.45
Gainsborough	5.42	2.42	0.45
Priory Heath	5.66	2.50	0.44
Castle Hill	5.79	2.50	0.43
Rushmere	5.81	2.51	0.43
Gipping	5.61	2.42	0.43
Bridge	5.44	2.34	0.43
Sprites	5.45	2.34	0.43
Holywells	5.66	2.33	0.41
Alexandra	5.55	2.24	0.40
Bixley	5.94	2.35	0.40
Westgate	5.49	2.16	0.39
St John's	6.29	2.36	0.37

Source: Census 2001

Table A4.13 Market housing balance by ward in Mid Suffolk

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Stowmarket South	5.33	2.53	0.48
Stowmarket North	5.60	2.53	0.45
Needham Market	5.26	2.36	0.45
Stowupland	5.68	2.46	0.43
Claydon and Barham	5.73	2.45	0.43
Elmswell and Norton	6.10	2.59	0.42
Bramford and Blakenham	5.62	2.35	0.42
Bacton and Old Newton	6.07	2.53	0.42
Onehouse	6.27	2.62	0.42
Thurston and Hesselst	6.23	2.58	0.41
Debenham	5.91	2.42	0.41
Barking and Somersham	6.27	2.55	0.41
Stowmarket Central	5.35	2.15	0.40
Haughley and Wetherden	6.29	2.52	0.40
Gislingham	6.33	2.51	0.40
The Stonhams	6.52	2.55	0.39
Woolpit	6.44	2.52	0.39
Fressingfield	6.45	2.52	0.39
Stradbroke and Laxfield	6.17	2.41	0.39
Rickinghall and Walsham	6.26	2.44	0.39
Wetheringsett	6.62	2.57	0.39
Badwell Ash	6.53	2.50	0.38
Mendlesham	6.30	2.39	0.38
Palgrave	6.54	2.48	0.38
Worlingworth	6.54	2.45	0.37
Rattlesden	6.53	2.44	0.37
Eye	5.88	2.18	0.37
Hoxne	6.45	2.39	0.37
Helmingham and Coddensham	6.82	2.50	0.37
Ringshall	6.47	2.30	0.36

Source: Census 2001

Table A4.14 Market housing balance by ward in Suffolk Coastal

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Felixstowe West	5.23	2.35	0.45
Trimleys with Kirton	5.64	2.43	0.43
Kesgrave East	6.10	2.61	0.43
Leiston	5.69	2.41	0.42
Martlesham	5.97	2.49	0.42
Farlingaye	5.63	2.35	0.42
Kesgrave West	5.33	2.23	0.42
Felixstowe North	5.54	2.31	0.42
Rendlesham	5.29	2.20	0.42
Kyson	5.63	2.30	0.41
Rushmere St Andrew	6.31	2.56	0.41
Hollesley with Eyke	6.26	2.47	0.40
Melton and Ufford	6.26	2.47	0.39
Wickham Market	5.85	2.30	0.39
Otley	6.74	2.63	0.39
Nacton	6.32	2.45	0.39
Grundisburgh	6.33	2.45	0.39
Felixstowe East	5.94	2.30	0.39
Saxmundham	5.82	2.23	0.38
Felixstowe South	5.82	2.22	0.38
Felixstowe South East	6.08	2.30	0.38
Snape	6.23	2.33	0.37
Framlingham	6.28	2.34	0.37
Hacheston	6.68	2.46	0.37
Witnesham	6.53	2.38	0.36
Peasenhall	6.38	2.30	0.36
Earl Soham	6.88	2.46	0.36
Sutton	6.42	2.25	0.35
Orford and Tunstall	6.10	2.14	0.35
Riverside	6.23	2.16	0.35
Yoxford	6.13	2.06	0.34
Walberswick and Wenhaston	6.30	2.11	0.33
Seckford	5.57	1.80	0.32
Aldeburgh	5.96	1.91	0.32

Source: Census 2001

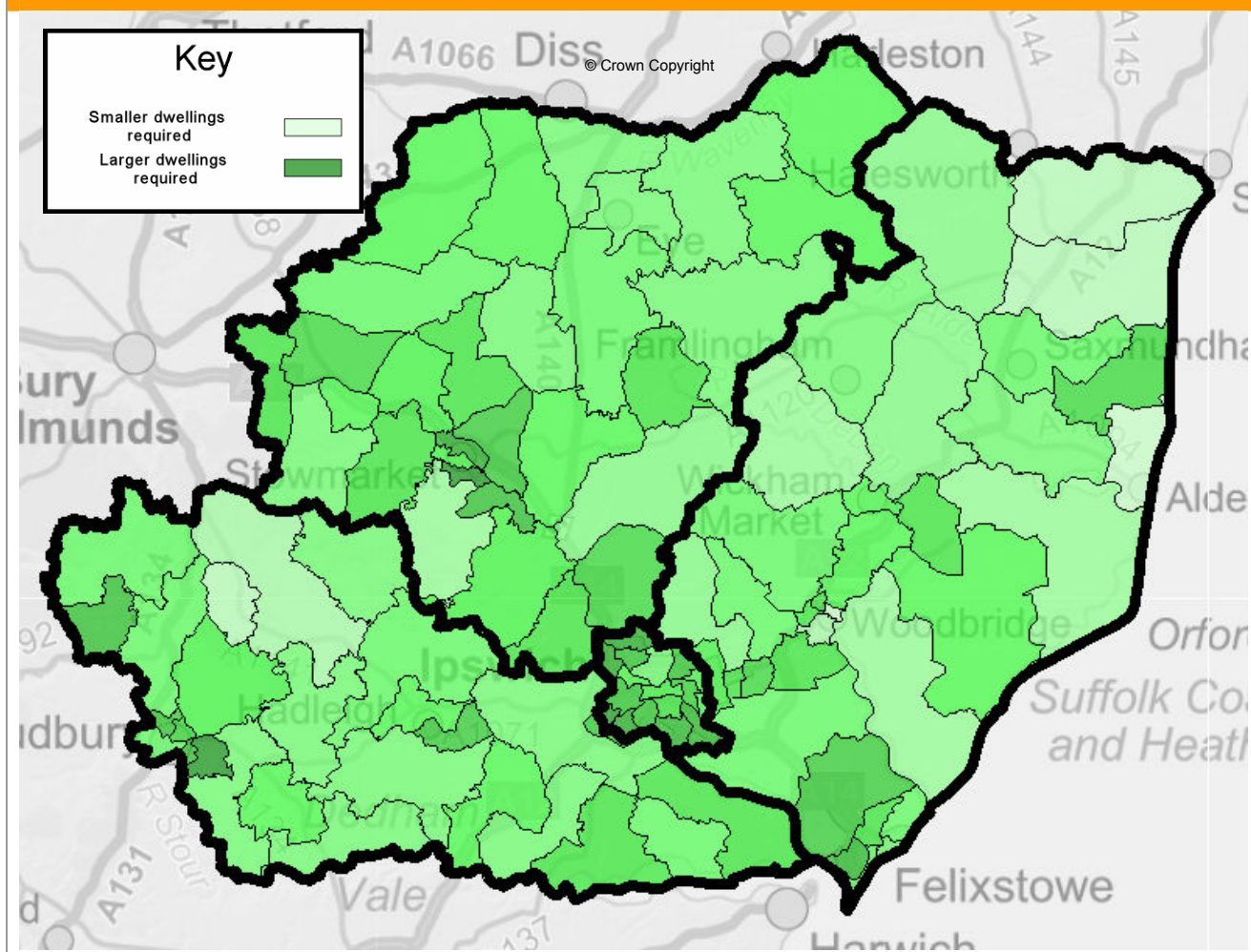
Table A4.15 Market housing balance by ward in the study area and comparable areas

	Dwelling size	Household size	Ratio of household size to dwelling size
England	5.63	2.42	0.43
Ipswich	5.65	2.41	0.43
East	5.72	2.43	0.42
Suffolk	5.82	2.37	0.41
Mid Suffolk	6.03	2.45	0.41
Babergh	5.95	2.39	0.40
Suffolk Coastal	5.99	2.35	0.39

Source: Census 2001

A.4.7 In terms of market dwelling size requirements, the following map shows clusters of wards with requirements for larger dwellings around the urban areas, particularly around Ipswich. With small clusters of wards with a requirement for smaller dwellings in the other districts.

Figure A4.2 Ipswich study area market housing balance by ward



Source: Census 2001

Deriving balance indicators: need for larger/smaller affordable housing

A4.8 In the same way as for market housing, a size balance for the affordable housing sector can be derived using the information already provided. This is shown in the table below.

Table A4.16 Affordable housing balance by ward in Babergh

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Pinewood	4.58	2.60	0.57
Sudbury North	4.67	2.63	0.56
Great Cornard South	4.97	2.76	0.55
Glemsford and Stanstead	4.71	2.60	0.55
Waldingfield	4.68	2.49	0.53
Hadleigh North	4.57	2.42	0.53
Great Cornard North	4.59	2.43	0.53
Dodnash	4.20	2.18	0.52
Brett Vale	4.69	2.43	0.52
Sudbury East	4.44	2.28	0.52
Chadacre	4.55	2.32	0.51
North Cosford	4.82	2.41	0.50
Lower Brett	4.17	2.08	0.50
Mid Samford	4.88	2.40	0.49
Bures St Mary	4.01	1.94	0.48
Alton	4.95	2.38	0.48
Long Melford	4.41	2.09	0.47
Hadleigh South	4.15	1.94	0.47
Boxford	4.53	2.11	0.46
Brook	4.59	2.13	0.46
Sudbury South	3.68	1.69	0.46
Berners	4.51	2.06	0.46
Lavenham	4.29	1.93	0.45
South Cosford	4.92	2.20	0.45
Nayland	4.63	1.93	0.42
Leavenheath	4.70	1.88	0.40
Holbrook	4.64	1.64	0.35

Source: Census 2001

Table A4.17 Affordable housing balance by ward in Ipswich

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Whitton	4.77	2.76	0.58
Gainsborough	4.63	2.58	0.56
Priory Heath	5.00	2.70	0.54
Gipping	4.30	2.31	0.54
Stoke Park	4.01	2.08	0.52
Whitehouse	4.64	2.34	0.50
Rushmere	4.60	2.30	0.50
Bixley	3.05	1.48	0.48
St Margaret's	4.34	2.07	0.48
Bridge	3.98	1.89	0.48
Castle Hill	4.51	2.11	0.47
Westgate	3.67	1.66	0.45
Alexandra	3.22	1.44	0.45
St John's	3.51	1.43	0.41
Sprites	3.16	1.28	0.41
Holywells	3.66	1.47	0.40

Source: Census 2001

Table A4.18 Affordable housing balance by ward in Mid Suffolk

Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Helmingham and Coddenham	4.80	2.90	0.60
Ringshall	5.23	3.02	0.58
The Stonhams	5.12	2.94	0.57
Badwell Ash	4.53	2.55	0.56
Stowmarket South	4.81	2.66	0.55
Gislingham	4.38	2.40	0.55
Woolpit	4.81	2.55	0.53
Rickinghall and Walsham	4.23	2.25	0.53
Mendlesham	4.04	2.14	0.53
Haughley and Wetherden	4.50	2.36	0.52
Worlingworth	4.66	2.44	0.52
Palgrave	4.41	2.25	0.51
Debenham	4.28	2.18	0.51
Eye	4.19	2.12	0.51
Stowmarket Central	4.01	2.02	0.50
Stowmarket North	4.66	2.32	0.50
Thurston and Hessett	4.75	2.32	0.49
Hoxne	4.22	2.06	0.49
Fressingfield	4.02	1.93	0.48
Onehouse	3.97	1.90	0.48
Elmswell and Norton	4.35	2.06	0.47
Stradbroke and Laxfield	4.02	1.87	0.47
Bramford and Blakenham	4.27	1.98	0.47
Rattlesden	5.07	2.36	0.46
Wetheringsett	4.86	2.25	0.46
Stowupland	4.34	2.01	0.46
Barking and Somersham	5.19	2.39	0.46
Needham Market	3.99	1.82	0.45
Bacton and Old Newton	4.56	1.98	0.44
Claydon and Barham	4.26	1.84	0.43

Source: Census 2001

Table A4.19 Affordable housing balance by ward in Suffolk Coastal

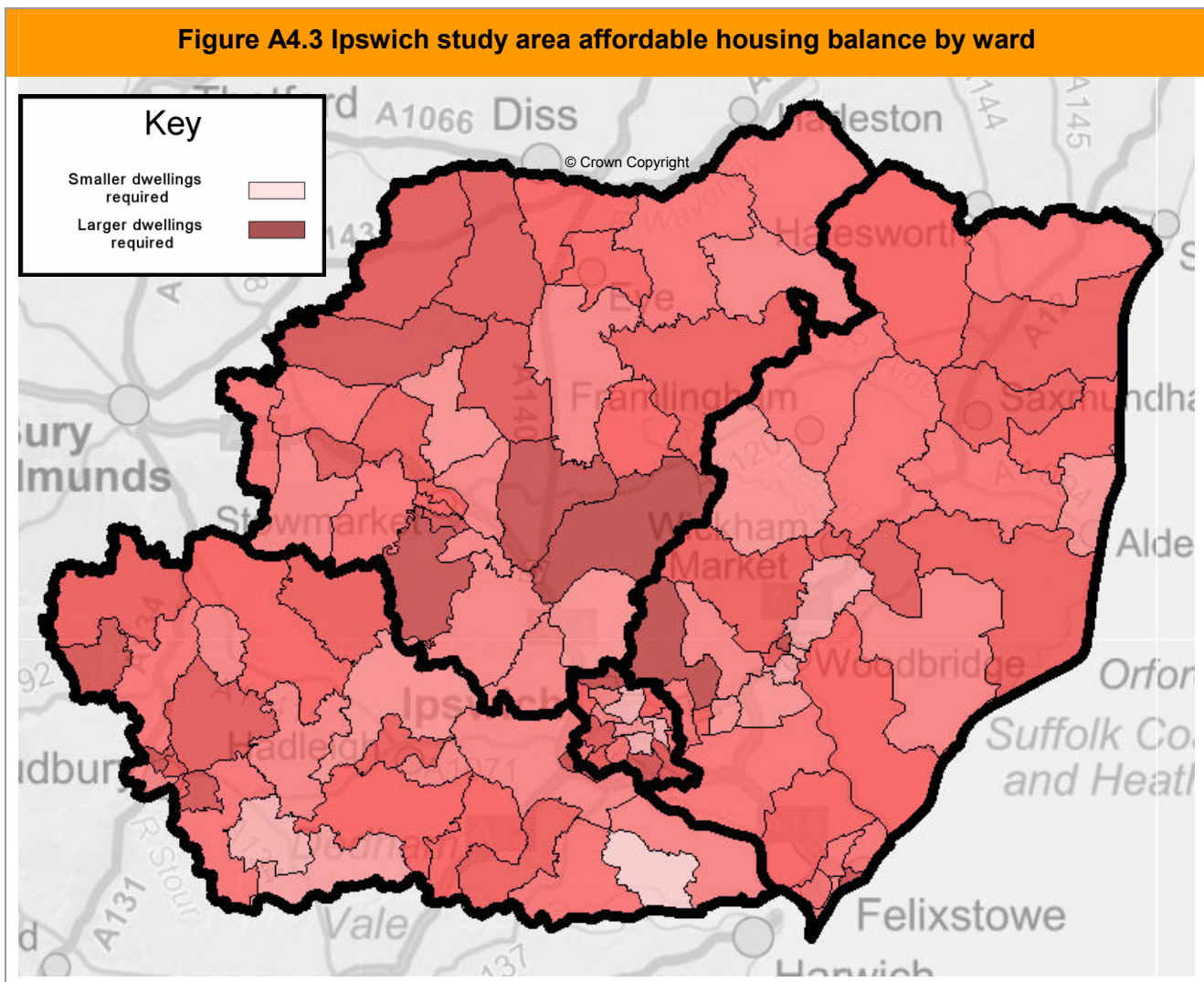
Ward	Dwelling size	Household size	Ratio of household size to dwelling size
Witnesham	4.92	2.91	0.59
Farlingaye	4.87	2.87	0.59
Felixstowe South East	4.06	2.29	0.57
Rendlesham	5.08	2.73	0.54
Kyson	4.44	2.35	0.53
Orford and Tunstall	4.49	2.34	0.52
Otley	5.01	2.60	0.52
Yoxford	5.15	2.66	0.52
Saxmundham	4.51	2.32	0.51
Wickham Market	4.48	2.29	0.51
Peasenhall	4.99	2.52	0.51
Sutton	4.89	2.46	0.50
Leiston	4.56	2.28	0.50
Trimleys with Kirton	4.41	2.17	0.49
Kesgrave West	4.22	2.07	0.49
Felixstowe West	4.44	2.17	0.49
Felixstowe East	4.04	1.97	0.49
Walberswick and Wenhaston	4.73	2.29	0.49
Framlingham	4.22	2.04	0.48
Snape	5.01	2.40	0.48
Hacheston	4.95	2.35	0.47
Felixstowe North	3.77	1.79	0.47
Nacton	4.43	2.10	0.47
Rushmere St Andrew	4.35	2.05	0.47
Grundisburgh	4.60	2.12	0.46
Felixstowe South	4.05	1.86	0.46
Hollesley with Eyke	4.26	1.94	0.46
Aldeburgh	4.30	1.92	0.45
Martlesham	3.73	1.65	0.44
Earl Soham	4.72	2.07	0.44
Kesgrave East	3.95	1.71	0.43
Seckford	3.72	1.55	0.42
Riverside	3.49	1.45	0.42
Melton and Ufford	4.17	1.71	0.41

Source: Census2001

Table A4.20 Affordable housing balance for the study area and comparable areas			
	Dwelling size	Household size	Ratio of household size to dwelling size
England	4.21	2.19	0.52
East	4.28	2.21	0.52
Ipswich	4.28	2.19	0.51
Suffolk	4.35	2.19	0.50
Babergh	4.49	2.25	0.50
Mid Suffolk	4.41	2.20	0.50
Suffolk Coastal	4.37	2.14	0.49

Source: Census2001

A4.9 As in the other cases the ward level picture can be shown for each District. As can be seen there is no significant spatial pattern.



Source: Census2001

Conclusions

- This appendix illustrates the housing market balance between owner occupation, private rent and affordable housing within the study area.
- The appendix also provides information on the balance of property sizes across the study area according to tenure.
- The data provides useful background information for housing and planning policy makers when considering policies and initiatives designed to address imbalances in the local housing market.
- Examples of possible policy implications are the identified need for more, larger market dwellings around the main urban areas, and the corresponding need for more, smaller market dwellings in the rural parts of the study area.